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ABSTRACT

Policy recommendations on tuition and fees as a proportion of educational costs are presented. The composition of tuition and fees in Washington, the basis of "educational costs," and the current and past relationship of tuition and operating fees to estimate educational costs are discussed. Also included is an inventory of the tuition and fee waiver programs and general and specific recommendations. Appendix B contains a review of those states that base tuition and fee rates on a proportion of education costs, outlining the policies and systems used in each of those states. Appendix F contains information on nonresident students. Policy recommendations on both nonresident tuition and fees and foreign student scholarship programs have also been included. (Author/KE)

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Council for Postsecondary Education
State of Washington

HE008090

Policy Recommendations

A System of Establishing Tuition and Fees as a Proportion of Educational Costs

May, 1976

POLICY RECOMMENDATIONS

A SYSTEM OF ESTABLISHING TUITION AND FEES AS A PROPORTION OF EDUCATIONAL COSTS

In Response To
Senate Resolution 1975-131

Council for Postsecondary Education

May, 1976

Project Officers

Denis Curry
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TABLE OF CONTENTS

Page

LIST OF TABLES iii

LIST OF ILLUSTRATIONS vi

INTRODUCTION 1

I. SUMMARY OF POLICY RECOMMENDATIONS 3

II. COMPOSITION OF TUITION AND FEES IN WASHINGTON 9

III. FEES WHICH SHOULD BE RELATED TO EDUCATIONAL COSTS 13

IV. HOW HAVE TUITION AND FEES COMPARED TO EDUCATIONAL COSTS IN RECENT YEARS? 15

V. TUITION AND FEES COMPARED TO COST IN OTHER STATES 19

VI. QUESTIONS RAISED BY THE RESOLUTION AND COUNCIL RECOMMENDATIONS 27

VII. WAIVERS OF TUITION AND FEES 51

APPENDIX A: SENATE RESOLUTION 1975-131 65

APPENDIX B: SURVEY OF SYSTEMS USED BY STATES WHICH BASE TUITION AND FEE RATES ON A PROPORTION OF INSTRUCTIONAL COSTS 69

APPENDIX C: RESULTS OF EXTENDED SURVEY OF TUITION POLICIES IN THE STATES OF CALIFORNIA, ILLINOIS, INDIANA, MICHIGAN AND MINNESOTA . . 87

APPENDIX D: CALCULATION OF CAPITAL COST PER STUDENT . . . 95

APPENDIX E: DISCUSSION OF ALTERNATIVES FOR THE BASE PERIOD TO BE USED TO CALCULATE EDUCATIONAL COSTS 99

APPENDIX F: NONRESIDENT FEES IN WASHINGTON PUBLIC HIGHER EDUCATION 105

LIST OF TABLES

TABLE		PAGE
I	RELATIONSHIP OF STUDENT TUITION AND OPERATING FEES TO UNDERGRADUATE EDUCATIONAL COSTS, 1972-73 Through 1975-76	16
II	RELATIONSHIP OF UNDERGRADUATE TUITION AND OPERATING FEES TO ESTIMATED EDUCATIONAL COSTS INCLUSIVE AND EXCLUSIVE OF CAPITAL AMORTIZATION . .	18
III	UNDERGRADUATE TUITION AND REQUIRED FEES, Academic Year 1975-76	22
IV	UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS -- STATE COLLEGES, Academic Year 1975-76	23
V	UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS -- UNIVERSITIES, Academic Year 1975-76	25
VI	COMPARISON INSTITUTIONS' TUITION AND FEE CHARGES TO GRADUATE STUDENTS, 1974-75	34
VII	COMPARISON OF ALTERNATIVE PERCENTAGES, Undergraduate Tuition and Operating Fees to Educational Costs	44
VIII	COST PER FTE GRADUATE STUDENT AND SUGGESTED METHOD OF CALCULATING TUITION AND OPERATING FEES	48
IX	METHODS FOR PROVIDING FOREIGN STUDENT SCHOLARSHIP AID	59
X	FOREIGN STUDENTS ATTENDING WASHINGTON INSTITUTIONS, Fall Term 1975	62

APPENDIX TABLES

B-I	FLORIDA STUDENT FEE PERCENTAGES AS A COST OF INSTRUCTION ESTIMATED FOR 1977-78	77
C-I	BACCALAUREATE INSTITUTIONS' STUDENT TUITION AND FEES AS A PERCENTAGE OF TOTAL EDUCATION AND GENERAL REVENUES	93

LIST OF TABLES
(Continued)

TABLE		PAGE
F-I	UNDERGRADUATE STUDENTS AT PUBLIC AND PRIVATE FOUR-YEAR INSTITUTIONS WHOSE LAST SCHOOL ATTENDED WAS IN ANOTHER STATE (Excluding Foreign Students)	116
F-II	GRADUATE STUDENTS AT PUBLIC AND PRIVATE FOUR-YEAR INSTITUTIONS WHOSE LAST SCHOOL ATTENDED WAS IN ANOTHER STATE (Excluding Foreign Students)	117
F-III	PROFESSIONAL STUDENTS AT PUBLIC AND PRIVATE FOUR-YEAR INSTITUTIONS WHOSE LAST SCHOOL ATTENDED WAS IN ANOTHER STATE (Excluding Foreign Students)	118
F-IV	STUDENT MIGRATION BETWEEN WASHINGTON AND THE STATES OF OREGON AND IDAHO, Fall Term 1975	119
F-V	TUITION AND FEES -- TEN INDEPENDENT WASHINGTON COLLEGES AND UNIVERSITIES, 1970-71 Through 1975-76	123
F-VI	RELATIONSHIP OF NONRESIDENT AND STUDENTS RECLASSIFIED AS RESIDENT STUDENTS TO TOTAL ENROLLMENT, Washington Four-Year Institutions, Fall Term 1975	128
F-VII	NONRESIDENT STUDENTS (EXCLUDING FOREIGN) ATTENDING WASHINGTON INSTITUTIONS, Fall Term 1975	129
F-VIII	FOREIGN STUDENTS ATTENDING WASHINGTON INSTITUTIONS, Fall Term 1975	130
F-IX	IMPLEMENTATION OF RECOMMENDED NONRESIDENT TUITION AND OPERATING FEE INCREASES	142
F-X	UNDERGRADUATE TUITION AND REQUIRED FEES, Academic Year 1975-76	143
F-XI	UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS -- STATE COLLEGES, Academic Year 1975-76	144

LIST OF TABLES
(Continued)

TABLE | PAGE

F-XII UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS -- UNIVERSITIES, Academic Year 1975-76 146

F2-I UNDERGRADUATE NONRESIDENT QUOTAS -- LOCUS OF CONTROL AND RESULTING LIMITATIONS 165

F3-I FISCAL IMPACT OF NONRESIDENT TUITION AND FEE DIFFERENTIAL 169

LIST OF ILLUSTRATIONS

CHART		PAGE
I	DISTRIBUTION OF UNDERGRADUATE FULL-TIME STUDENT TUITION AND FEES, 1975-76	10
II	PERCENTAGE RELATIONSHIP FOR UNDERGRADUATE RESIDENT STUDENTS	15

INTRODUCTION

The 1975 Legislature, through Senate Resolution 1975-131, directed the Council for Postsecondary Education to: (1) survey other states to determine those states " ... which currently relate student tuition and fees to higher education costs, along with the policies of those states as to the portion which is borne by students .... "; (2) " ... develop, test and recommend a standard method of determining the cost of higher education which relates to instruction of students, both inclusive and exclusive of related capital costs .... "; and, in addition, (3) " ... make recommendations concerning the proportion of costs which should be borne by the various categories of students in Washington's public universities, state colleges and community colleges, including recommendations dealing with waivers of tuition and/or fees for various categories of individuals not set forth by statute." (See Appendix A for the complete text of the resolution.)

This report presents policy recommendations on the items outlined in SR 1975-131 as adopted by the Council on March 3 and April 20, 1976. In addition, the report discusses the composition of tuition and fees in Washington, the basis of "educational costs" as used in this report and the current and past relationship of tuition and operating fees to estimated educational costs in Washington institutions. The report also contains an inventory of the tuition and fee waiver programs now authorized by law and the extent to which these programs are used. Both general and specific recommendations are made concerning tuition and fee waiver programs. Appendix B of the report contains a review of those states which base tuition and fee rates on a proportion of educational costs outlining the policies and systems used in each of those states.

Following two progress reports on this subject in late 1975, a comprehensive staff report was presented to the Council in January, 1976. Following that meeting, the staff report was transmitted to the Senate Committee on Higher Education and over 200 copies were distributed to ASB presidents, student newspapers, college and university officials and other interested parties for review and comment. The Council's Committee on Administration and Finance considered staff recommendations (which had been given wide distribution) on March 2, leading to Council action on most items on March 3rd.

The Council requested additional information on nonresident and foreign student policies of other states. A special report was prepared on nonresident students and is included in its entirety in Appendix F. Policy recommendations on both nonresident tuition and fees and foreign student scholarship programs were adopted by the Council on April 20, 1976 and have been incorporated into this final report.

I. SUMMARY OF POLICY RECOMMENDATIONS

(1) The Council for Postsecondary Education believes it is sound public policy to base student tuition and fees as a proportion of educational costs and recommends active consideration of this approach by the Legislature.

(2) The Council is of the opinion that the state has an obligation to provide the educational facilities in its public institutions and recommends that capital amortization costs not be included in the total educational costs for calculating tuition and fees.

(3) Since services and activities fees are intended to finance activities and programs in addition to or outside of those included in the state operating budget, the Council recommends that this fee category not be included in the total fees to be directly related to educational costs.

(4) The Council recommends that services and activities fees be set by boards of trustees or regents within maximum limits based on the following percentages of the total undergraduate resident tuition and operating fees: universities, twenty percent; three state colleges, forty percent; The Evergreen State College, thirty percent; and community colleges, twenty percent.

(5) In establishing the proportions of educational cost to be paid by student tuition and fees, the Council recommends that differing percentage factors be applied to the different groupings of institutions.

(6) The Council recommends that the different fee categories be considered individually in establishing percentage of cost factors for tuition and fee purposes.

(7) The Council recommends that tuition and operating fee amounts be identical in each of the following categories:

(A) Two universities;
(B) Three state colleges;
(C) The Evergreen State College; and
(D) Community Colleges.

(8) The Council recommends that tuition and operating fees be adjusted biennially with undergraduate resident rates for the ensuing biennium based on educational costs calculated on the basis of the budgeted levels for the current biennium through application of factors and ratios derived from the most recent Council cost analysis. The budgeted levels would be the funding and enrollment amounts used in the budget on which original appropriations were based as adjusted by subsequent legislative and executive action during the biennium.

(9) The Council recommends that the educational cost base include both direct and indirect costs related to instruction during the academic year, plus the costs of student services to the extent included in the budget on which appropriations are based. Elements excluded from the cost base would include the direct and indirect costs of research and public service activities, self sustaining activities, capital amortization costs, summer programs, intercollegiate athletics, auxiliary enterprises, financial aid grants and student activity programs financed from services and activities fees.

The Council also recommends that the full cost of educational services be determined for undergraduate students in accordance with criteria, definitions and procedures developed by the Council and reviewed by the Governor or his Office of Program Planning and Fiscal

Management and subject to the final approval of an appropriate legislative committee or committees. The determination should be made as early as possible in each even numbered year, but following any special session in that year.

(10) The Council for Postsecondary Education recommends that the total of tuition and operating fees charged to resident undergraduate students bear the following relationships to undergraduate educational costs:

(A) Universities, one-fourth or twenty-five percent,
(B) Three state colleges, one-fifth or twenty percent;
(C) The Evergreen State College, one-fifth or twenty percent; and
(D) Community colleges, one-sixth or sixteen and two-thirds percent.

Further, that the total tuition and operating fees at The Evergreen State College not exceed those of the two universities.

(11) The Council recommends that the statute exempting Vietnam veterans from tuition and fee increases be repealed and that these individuals pay the same tuition and fees as other students.

(12) The Council recommends that the tuition and operating fees charged to graduate students be based on one hundred fifteen percent of the tuition and operating fees paid by undergraduate students.

(13) The Council recommends that the tuition and operating fees charged to students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery and doctor of veterinary medicine be based on one hundred sixty percent of the tuition and operating fee paid by undergraduate students.

(14) The Council recommends that effective Fall, 1979, tuition and operating fees for the two universities and the state's community colleges be established at 90 percent of educational costs. Further, that

during the 1977-79 biennium the current nonresident tuition and operating fees be increased to reflect an additional amount equal to one-third of the difference between the estimated 1979 rate and the current rate.

(15) The Council recommends that effective Fall, 1979, tuition and operating fees for the state colleges be established at 75 percent of educational costs. Further, that during the 1977-79 biennium the current nonresident tuition and operating fees be increased to reflect an additional amount equal to one-third of the difference between the estimated 1979 rate and the current rates; provided, that the tuition and operating fees charged to nonresident students at The Evergreen State College not exceed the amount charged by the two universities.

(16) The Council recommends that each institution ensure that all applications for reclassification are supported by documented evidence and that such evidence is maintained as part of the institution's records for each applicant, with particular reference toward documented proof of domicile.

(17) The Council recommends that the Council staff actively pursue the study and presentation of reciprocity and regional program options as outlined in the planning and policy recommendations.

(18) The Council recommends that the legislature carefully review each tuition and fee waiver program with the objective of retaining only those which are based on need. To the extent that tuition and fee waivers are continued, they should be made more visible in order to provide an opportunity for continuing review. The Council therefore recommends that each tuition and fee waiver program should be listed

in the Governor's budget along with the number of students aided in each year. The cost of the program, in terms of lost revenue, should also be indicated. Those programs which are continued should not be optional but should be consistently applied within criteria or limits set forth by the law establishing the program.

(19) The Council specifically recommends that the legislature, in its 1977 regular session, abolish or modify the following programs:

(A) Public School Teachers Supervising Cadet Teachers From the University of Washington: RCW 28B.15.380(3). Repeal is recommended.

(B) University Staff Members: RCW 28B.15.380(2). Repeal is recommended.

(C) Veterans Who Have Exhausted Federal Benefits: RCW 28B.15.380(1) and 28B.40.361. Repeal is recommended except for students currently enrolled.

(D) Blind Student Waivers: RCW 28B.10.215. Amending the statute is recommended to eliminate the waiver and increase the direct allocation amount.

(20) The Council recommends no change in the foreign student scholarship program authorized by RCW 28B.10.200 but recommends to the University of Washington that they take steps to increase the number of awards made on a reciprocal basis (as expressed in the original statute) and recommends to both universities that the awards to students already enrolled be limited to the difference between resident and nonresident fees unless justified on the basis of documented financial need.

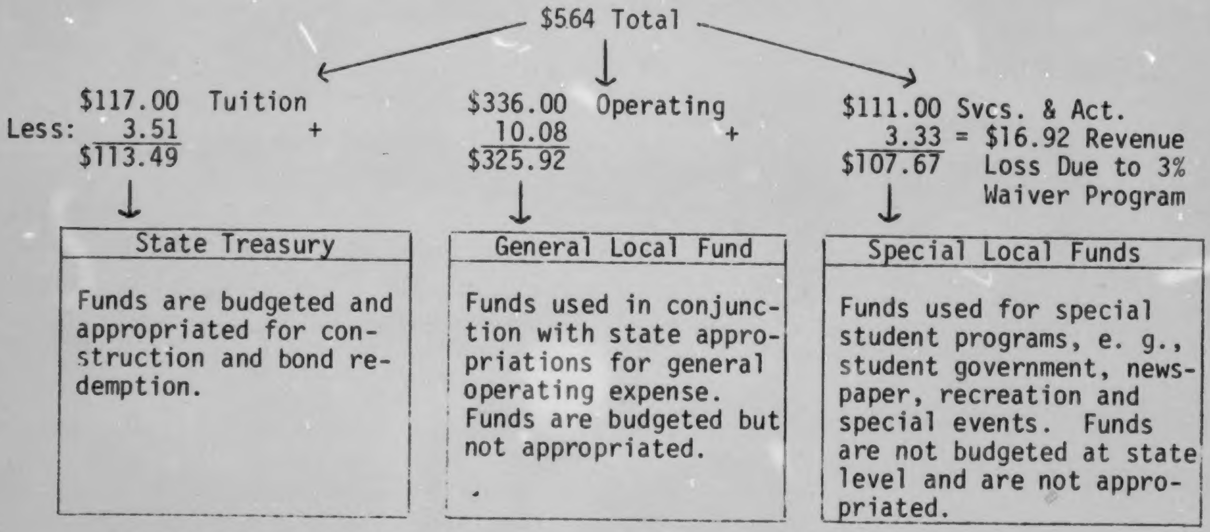
(21) The Council recommends additional legislation which would allow ten full awards per state college, such awards to be made through a

recognized exchange organization such as the Institute for International Education.

II. COMPOSITION OF TUITION AND FEES IN WASHINGTON

Required tuition and fees in the State of Washington are divided into three parts: tuition, operating fees and student services and activities fees. Unlike the majority of states, "tuition" in Washington refers to those fees which support capital construction. These funds are deposited in accounts in the state treasury and are used for direct construction and liquidation of construction bonds. Operating fees (analogous to tuition in most states) are retained locally for general operating expenses. These revenues are budgeted by the Governor and the legislature and are used for the same purposes as state operating appropriations. Student services and activities fees are not budgeted at the state level, are retained locally and are used for student activities and programs.

The current distribution of resident undergraduate tuition and fees at the various segments is shown on the following page. University tuition and fees are used in the following example to illustrate the mechanics of the distribution and the uses of the various funds.



$564 Total

$117.00 Tuition
Less: 3.51
$113.49
+

$336.00 Operating
10.08
$325.92
+

$111.00 Svcs. & Act.
3.33 = $16.92 Revenue Loss Due to 3% Waiver Program
$107.67

State Treasury

Funds are budgeted and appropriated for construction and bond redemption.

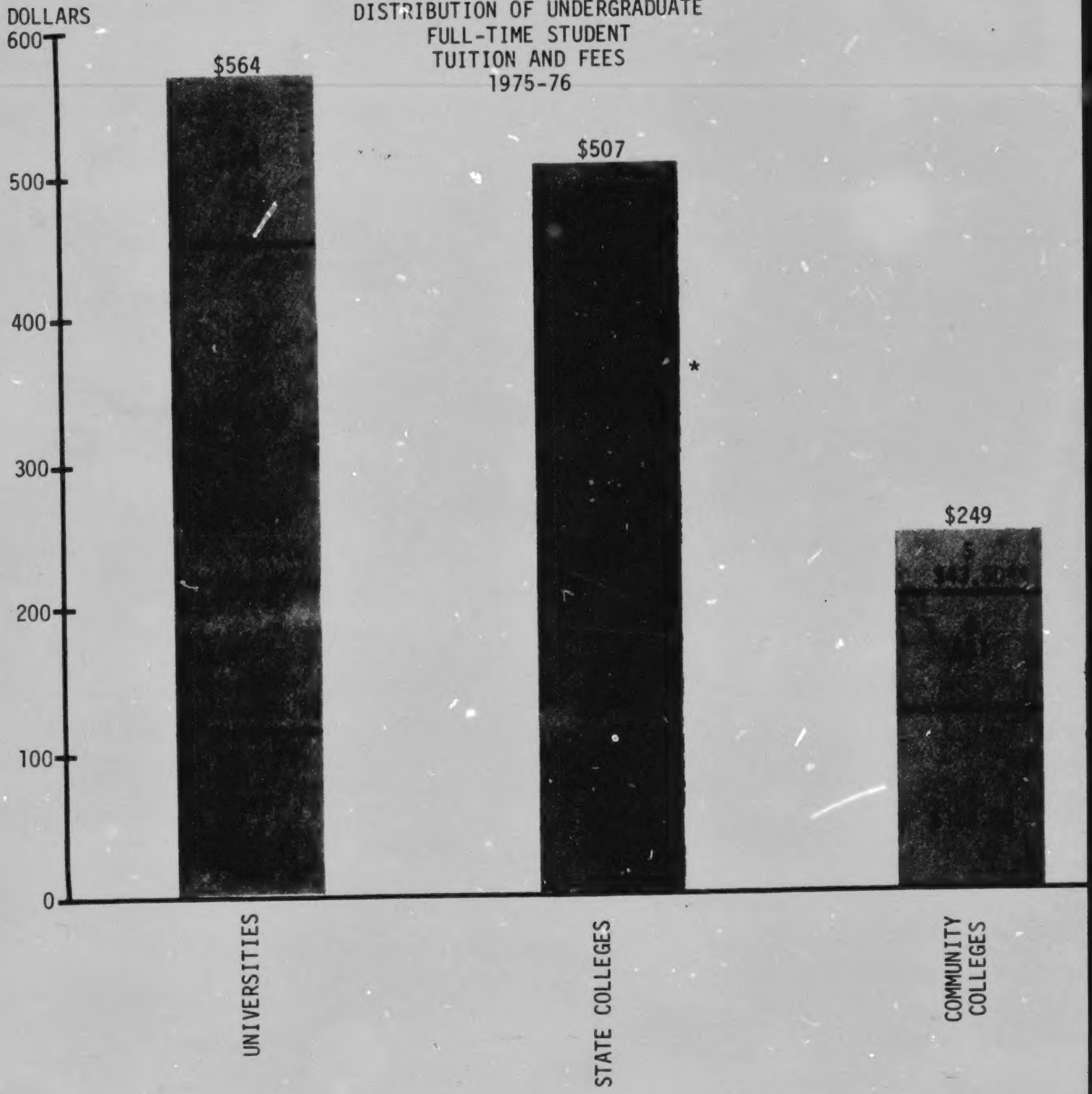
General Local Fund

Funds used in conjunction with state appropriations for general operating expense. Funds are budgeted but not appropriated.

Special Local Funds

Funds used for special student programs, e. g., student government, newspaper, recreation and special events. Funds are not budgeted at state level and are not appropriated.

CHART I
DISTRIBUTION OF UNDERGRADUATE FULL-TIME STUDENT TUITION AND FEES 1975-76



S - Services & Activities
O - Operating
T - Tuition

* Central Wa State College: Operating $286.50
S & A $145.50

** Maximum

Washington's tuition and fee structure is complex in terms of the number of separate categories. The statutes prescribe separate fees for the following categories of individuals:

	Total Tuition and Fees	
	Resident	Nonresident
Universities*:		
Undergraduates	$564	$1,581
Graduates	$624	$1,641
Medical/Dental	$840	$1,839
Veterinary Medicine	$832	$1,839
Vietnam Veterans		
Undergraduates	$432	xxxxx
Graduates	$432	xxxxx
Medicial/Dental	$675	xxxxx
Veterinary Medicine	$632	xxxxx
State Colleges*:		
Undergraduates	$507	$1,359
Graduates	$567	$1,419
Vietnam Veterans		
Undergraduates	$360	xxxxx
Graduates	$360	xxxxx
Community Colleges*:		
Non-Vietnam Veterans	$249**	$ 681**
Vietnam Veterans	$210	xxxxx

*Apply to full-time students in terms other than summer.

**Maximum -- services and activities fees may be set at lower rates at district option.

Washington is one of three states whose total tuition and fee rates are incorporated in statute law. Seven states have mechanisms or practices which specifically involve the legislature in the approval or establishment of tuition rates, through the appropriation process or through prior certification of planned tuition levels. In the great majority of states tuition and fees are set by governing boards, usually involving some form of consultation with their legislatures. In general, the fees for special student services (similar to our services and activities fee), are set locally or within guidelines established by multi-campus governing boards. In six states the tuition rates are related directly to the cost of education (in one of these states, this applies only to nonresidents). The practices and characteristics of these states are summarized in Section V of this report and a detailed review of their systems is contained in Appendix B.

Washington's system of tuition and fees is atypical in several respects:

-- "Tuition" refers to construction funds.

-- Fees for construction make up a substantial portion of the total.

-- Tuition and fee rates are set by statute.

-- Services and activities fees are set by law (some flexibility is provided to community colleges).

Washington is typical in one basic respect. It relies on a "mixed" system of financing postsecondary education in which both the students (and their families) and the general taxpayer share the burden of the operating and capital costs. No state has adopted the extreme positions of no student charges or full-cost pricing.

III. FEES WHICH SHOULD BE RELATED TO EDUCATIONAL COSTS

As was indicated in the previous section, there are three components of tuition and fees: tuition (used for construction), operating fees (used for general operating expenses), and services and activities fees (used for special student programs). It is our conclusion (see recommendation 3) that in no way does the latter category relate to " ... the cost of higher education which relates to instruction of students .... " as is specified in the resolution. Services and activities fees are used for other purposes. Uses include support of student government, newspapers, student organizations, recreation, special events, and, in the case of the four-year schools, construction of student activity facilities. In the three older state colleges, a portion of these funds are pledged to dormitory bond redemption.

The fees which do relate to educational costs are tuition and the operating fee. These charges support the institution through direct operating support and through provision of facilities in which educational services are provided. The fact that a large amount is dedicated to general facilities construction is a result of earlier constitutional prohibitions against bonded indebtedness. Where most states finance construction from general tax revenues, Washington has used a system of pledging a portion of student fees. There is a direct trade-off between the dedication of fees for construction and general fund support available to support the cost of instruction. Both purposes -- operations and capital -- are recognized by all states as eligible for state support. This is not the case with the types of activities supported by services and activities fees.

For the above reasons, it is our judgement that it is appropriate to relate the sum of tuition and the operating fee (shown below for each institution) to the cost of education. The comparisons which are made in subsequent sections are based on that premise.

CURRENT TUITION AND OPERATING FEES USED IN COMPARISONS

	Total Charges	Less Services & Activities Fees	Tuition and Operating Fee
UW, WSU	$564	$111.00	$453.00
CWSC*	$507	$145.50	$361.50
EWSC, WWSC, TESC	$507	$157.50	$349.50
Community Colleges	$249	$ 43.50	$205.50

*When the state colleges voluntarily raised their total to the statutory maximum in 1974, Central chose to add its increase to the operating fee.

IV. HOW HAVE TUITION AND FEES COMPARED TO EDUCATIONAL COSTS IN RECENT YEARS?

The percentage calculations provided in Table I shows the relationship of the total of tuition and operating fee charges to the educational costs derived for the years 1972-73 through 1975-76. In all but one instance (The Evergreen State College, 1973-74) the percentage relationships have declined from the percentage which existed in 1972-73, the last time tuition and operating fees were increased (other than Central's $12 voluntary increase in 1974). The reason for this is that while tuition and operating fees have remained unchanged, the cost per student has steadily increased.

Chart II provides a graphic illustration of the percentage relationships developed for resident students for the years 1972-73 through 1975-76.

CHART II

PERCENTAGE RELATIONSHIP FOR
UNDERGRADUATE RESIDENT STUDENTS

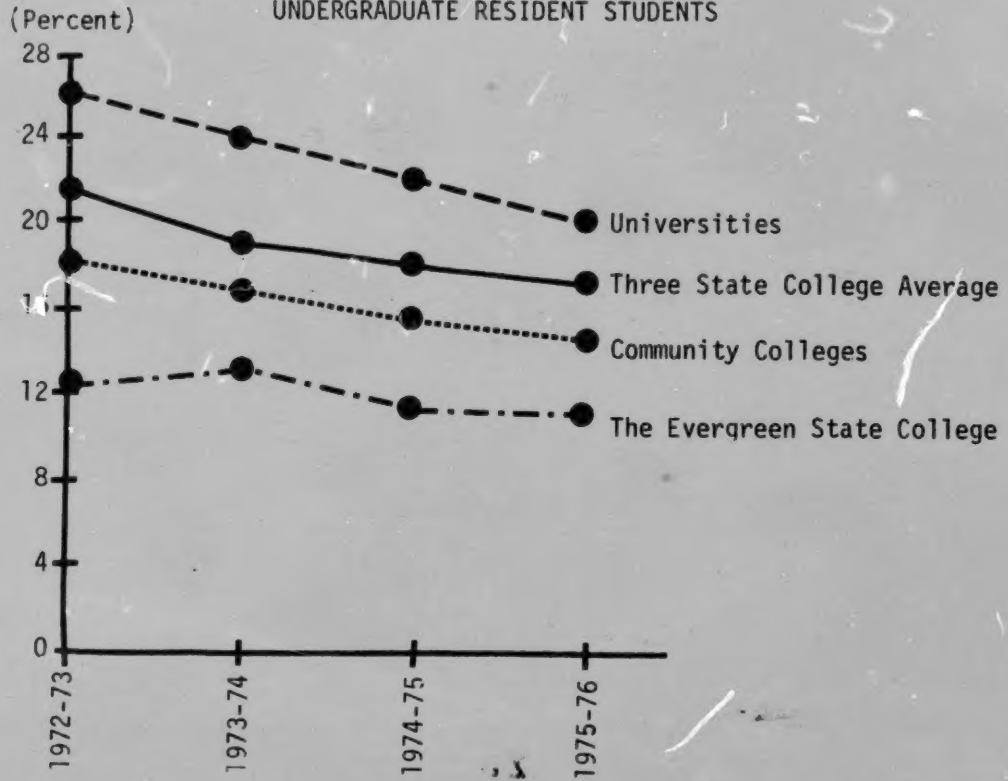


TABLE 1

RELATIONSHIP OF STUDENT TUITION AND OPERATING FEES TO UNDERGRADUATE EDUCATIONAL COSTS

1972-73 Through 1975-76

	Fiscal Years			
	1972-73	1973-74	1974-75	1975-76
Universities				
Educational Costs	$1,728	$1,880	$2,061	$2,238
Percentage Relationships*				
Resident	26.2%	24.1%	22.0%	20.2%
Nonresident	85.1%	78.2%	71.3%	65.7%
Three State College Average				
Educational Costs	$1,606	$1,858	$1,934	$2,028
Percentage Relationships*				
Resident	21.8%	18.8%	18.1%	17.2%
Nonresident	75.6%	65.3%	62.7%	59.8%
The Evergreen State College				
Educational Costs	$2,870	$2,690	$3,085	$3,200
Percentage Relationships*				
Resident	12.2%	13.0%	11.3%	10.9%
Nonresident	42.3%	45.1%	39.3%	37.9%
Community Colleges				
Educational Costs	$1,124	$1,206	$1,300	$1,417
Percentage Relationships*				
Resident	18.3%	17.0%	15.8%	14.5%
Nonresident	56.8%	52.9%	49.1%	45.0%

*The tuition and operating fee values used to determine the percentage relationships are shown on page 14. The value used for the three state college average was $349.50.

**A weighted average was used to determine the composite educational cost for the three more established state colleges.

The relationships between educational cost and the tuition and operating fee charges to nonresident students reflect similar declines since 1972-73. A significant policy question in this area is the percentage of instructional costs which should be borne by the Washington taxpayer. Although there are some miscellaneous revenues which provide a small level of support, if we assume that the state subsidizes the difference between nonresident fees and the cost of education, the degree of subsidy has been as follows over the past four years:

	1972-73	1975-76
Universities	14.9%	34.3%
Three State Colleges	24.4%	42.2%
The Evergreen State College	43.2%	55.0%
Community Colleges	57.7%	62.1%

The comparisons used in this section are based on the Council's 1972-73 unit expenditure study and reflect the actual operating expenditures per undergraduate student for instruction and related educational services. The expenditure and enrollment relationships developed for 1972-73 were assumed to remain constant for the ensuing fiscal years. The instructional costs for years following 1972-73 are therefore approximations based on the 1972-73 study. 1975-76 figures are based on budgeted amounts for that year.

Capital costs have not been included in the above comparisons, however, the Senate resolution directs the Council to " ... develop, test and recommend a standard method of determining the cost of higher education which relates to instruction of students, both inclusive and exclusive of related capital costs .... "

The amounts which appear in Table II on the following page employ a method of computing estimated capital depreciation costs which assumes a fifty year useful life and excludes auxiliary enterprises, intercollegiate athletics, research and public service space. This is the approach currently used by the State of Wisconsin. The details are outlined in Appendix D along with the calculations prepared by each four-year institution and the State Board for Community College Education.

TABLE II

RELATIONSHIP OF UNDERGRADUATE TUITION AND OPERATING FEES TO ESTIMATED EDUCATIONAL COSTS INCLUSIVE AND EXCLUSIVE OF CAPITAL AMORTIZATION

	Educational Costs	Tuition and Operating Fees	Percentage
Universities			
Operating Cost Only	$2,238	$453.00	20.2%
Capital Amortization Cost	+ 104		
Capital and Operating Costs	$2,342	$453.00	19.3%
Three State Colleges			
Operating Cost Only	$2,028	$349.50	17.2%
Capital Amortization Cost	+ 88		
Capital and Operating Costs	$2,116	$349.50	16.5%
The Evergreen State College			
Operating Cost Only	$3,200	$349.50	10.9%
Capital Amortization Cost	+ 182*		
Capital and Operating Costs	$3,382	$349.50	10.3%
Community Colleges			
Operating Cost Only	$1,417	$205.50	14.5%
Capital Amortization Cost	+ 44		
Capital and Operating Costs	$1,461	$205.50	14.1%

---

*Evergreen's high amortization cost is due to the fact that the facilities are all new and have a capacity approximately twice that of existing enrollments. The community college amount is lower due, in part, to extensive off-campus and evening enrollments.

V. TUITION AND FEES COMPARED TO COST IN OTHER STATES

Senate Resolution 131, directed the Council for Postsecondary Education to survey other states to determine those states "... which currently relate student tuition and fees to higher education costs, along with the policies of those states as to the portion which is borne by students ...."

As a result of the survey, which was conducted in response to that portion of the resolution, it was found that six states currently have operational systems or approaches which relate student general purpose fees (commonly called tuition) to the cost of instruction. These states were Colorado, Florida, Kansas, New Hampshire, Oregon and Wisconsin. The systems and approaches used by those states are outlined in detail in Appendix B.

Five of the six states (Colorado, Florida, Kansas, Oregon and Wisconsin) have a great deal in common with each other and with the State of Washington. All of these states have a higher than average percentage of their population enrolled in public higher education and a lower than average proportion of enrollments in private institutions. Their per capita appropriations for higher education are above average as are their appropriations per $1,000 of per capita income. Four of the five states employ a 25 percent of cost criterion in establishing tuition levels for colleges and universities. Florida uses a 30 percent factor as its objective, although when only tuition and fees which are analogous to Washington's tuition and operating fees are included in the comparison, the objective equates to approximately 25 percent of costs at the undergraduate level.

The State of New Hampshire, which uses a 100 percent of cost standard for nonresident students has characteristics which are distinctly different.

The proportion of New Hampshire's population which is enrolled in public institutions is among the lowest. It has relatively large enrollments in private institutions and ranks 50th in appropriation levels. Although not directly related to instructional costs, New Hampshire's resident tuition and fees are among the highest of all U. S. public institutions.

In all of the states other than Kansas, the specific tuition rates are based on a proportion of instructional costs. In Kansas, total tuition revenue must approximate 25 percent of instructional costs. All of the states allow special fees (similar to our services and activities fees) to vary among the institutions. With some exceptions, nonresident undergraduates are expected to pay 100 percent of costs. Insofar as community colleges are concerned, Colorado applies a 20 percent factor, Wisconsin (for their area vocational schools) uses 25 percent or 7 percent depending on the program, Oregon tuitions are expected to equal 20 percent of instructional costs and Florida tuitions are set by the local governing boards with no percentage guideline. Three of the states, Colorado, Florida and Wisconsin, base medical school tuitions on a percentage of cost. Oregon adjusts medical school tuition by the percentage increase in the tuition for the rest of their system.

One state uses prior fiscal year information in setting the next year's rates, two states use the costs of the current year in setting the next year's rates, while three states base their rates on estimates. In all states other than New Hampshire, some deduction of costs related to research and extension is allowed. Wisconsin is the only state to include a factor for depreciation of capital facilities.

All of the states indicated general satisfaction with their existing system and that no major changes were contemplated. A significant finding is that in no case was the percentage factor for resident students based on a determination of the relative benefits to the individual and the state.

During the October Council meeting, the staff was requested to survey the tuition policies that are currently in existence in other states; specifically California, Illinois, Indiana, Michigan, and Minnesota. A summary of the results of that review is provided in Appendix C.

The tables on the following pages illustrate the resident and nonresident undergraduate tuition and fees for each major state public university and state averages of other four-year public colleges and universities.

TABLE III

UNDERGRADUATE TUITION AND REQUIRED FEES
Academic Year 1975-76

Public Universities	Resident	Nonresident
National Average	$632	$1,656
Seven State Average	$715	$2,096
Washington	$564	$1,581
National Rank	33	23
Eight State Rank	8	8

Based on information provided by the National Association of State Universities and Land-Grant Colleges for the main campus of the major university in each state.

Public Colleges and State Universities	Resident	Nonresident
National Average - All institutions	$537	$1,334
Average of State Averages	$526	$1,275
Seven State Average	$556	$1,526
Washington	$507	$1,359
National Rank	24	19
Eight State Rank	7	6

Based on information provided by the American Association of State Colleges and Universities for all institutions surveyed.

Source: Nonresident Fees in Washington Public Higher Education, April 1976, Council for Postsecondary Education (Appendix F, Table F-X).

TABLE IV

UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS

STATE COLLEGES
Academic Year 1975-76

	Resident	Nonresident
Alabama	$486	$ 587
Alaska	340	940
Arizona	380	1,136
Arkansas	411	713
California	200	1,448
Colorado	501	1,547
Connecticut	562	1,462
Florida	653	1,890
Georgia	483	1,149
Idaho	352	1,216
Illinois	550	1,336
Indiana	720	1,440
Iowa	630	1,200
Kansas	468	1,067
Kentucky	427	957
Louisiana	405	985
Maine	592	1,578
Maryland	611	1,177
Massachusetts	521	936
Michigan	606	1,515
Minnesota	519	924
Mississippi	470	1,154
Missouri	310	845
Montana	455	1,426
Nebraska	554	1,023
Nevada	540	1,732
New Hampshire	734	1,927
New Jersey	666	1,201
New Mexico	333	900
New York	820	1,284
North Carolina	475	1,985
North Dakota	470	1,007
Ohio	759	1,684
Oklahoma	341	845
Oregon	650	1,942
Pennsylvania	893	1,617
Rhode Island	504	1,326
South Carolina	530	1,095
South Dakota	609	1,157
Tennessee	432	1,285

TABLE IV
(Continued)

	Resident	Nonresident
Texas	$335	$1,415
Utah	447	915
Vermont	742	2,057
Virginia	772	1,591
Washington	507	1,359
West Virginia	311	1,217
Wisconsin	650	2,076
AVERAGE OF STATE AVERAGES	$526	$1,275
NATIONAL AVERAGE - ALL INSTITUTIONS	$537	$1,334
SEVEN STATE COMPARISON		
California	$200	$1,448
Illinois	550	1,336
Indiana	720	1,440
Michigan	606	1,515
Minnesota	519	924
Oregon	650	1,942
Wisconsin	650	2,076
SEVEN STATE AVERAGE	$556	$1,526
Washington	$507	$1,359

NOTE: Washington resident fee, $507, is 5.9% below the all institutions national average; Washington nonresident fee, $1,359, is 1.9% above the all institutions national average.

Washington resident fee is 9.7% below the seven state average; Washington nonresident fee is 12.3% below the seven state average.

Source: Nonresident Fees in Washington Public Higher Education, April 1976, Council for Postsecondary Education (Appendix F, Table F-XI).

TABLE V

UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS

UNIVERSITIES
Academic Year 1975-76

	Resident	Nonresident
Alabama	$595	$1,190
Alaska	472	996
Arizona	450	1,640
Arkansas	400	930
California	648	2,148
Colorado	711	2,303
Connecticut	799	1,849
Delaware	795	1,930
Florida	683	1,920
Georgia	615	1,479
Hawaii	478	1,153
Idaho	400	1,400
Illinois	700	1,690
Indiana (Bloomington campus)*	722	1,640
Iowa	682	1,550
Kansas	576	1,366
Kentucky	480	1,210
Louisiana	330	1,060
Maine	595	1,770
Maryland (College Park campus)*	718	1,978
Massachusetts	591	1,391
Michigan	904	2,862
Minnesota	752	2,017
Mississippi	603	1,303
Missouri (Columbia campus)*	580	1,660
Montana	539	1,511
Nebraska	663	1,570.50
Nevada	622	1,822
New Hampshire (Durham campus)*	993	2,693
New Jersey	725	1,310
New Mexico	456	1,284
New York	825	1,287.50
North Carolina	468	2,112
North Dakota	528	1,256
Ohio	810	1,860
Oklahoma	470	1,250
Oregon	648	2,109
Pennsylvania (University Park campus)*	1,095	2,295
Rhode Island	1,080	2,120
South Carolina	654	1,414
South Dakota	658	1,354
Tennessee	453	1,305

TABLE V
(Continued)

	Resident	Nonresident
Texas	$354	$1,434
Utah	525	1,335
Vermont	1,100	2,930
Virginia	694	1,619
Washington	564	1,581
West Virginia	373	1,353
Wisconsin (Madison campus)*	630	2,206
Wyoming	411	1,377
AVERAGE	$ 632	$1,656

SEVEN STATE COMPARISON

California	$ 648	$2,148
Indiana (Bloomington campus)	722	1,640
Illinois	700	1,690
Michigan	904	2,862
Minnesota	752	2,017
Oregon	648	2,109
Wisconsin	630	2,206
SEVEN STATE AVERAGE	$ 715	$2,096
Washington	$ 564	$1,581

NOTE: Washington resident fee, $564, is 12.1% below the national average; Washington nonresident fee, $1,581, is 4.7% below the national average.
Washington resident fee is 26.8% below the seven state average; Washington nonresident fee is 32.6% below the seven state average.

*1975-76 Tuition and required fees for main campuses of universities obtained by telephone from Valerie Ventre, NASULGC. The published survey reflects the average tuition and required fees of all campuses of a university. Since the Washington universities are single campus institutions, comparable data are the main campuses of the institutions of other states.

Source: Nonresident Fees in Washington Public Higher Education, April 1976, Council for Postsecondary Education (Appendix F, Table F-XII).

VI. QUESTIONS RAISED BY THE RESOLUTION AND COUNCIL RECOMMENDATIONS

Senate Resolution 1975-131 called on the Council to address a variety of questions and make recommendations to the Legislature. This section outlines those questions, the study findings, and the recommendations of the Council.

(1) Is it a sound public policy to base tuition and fees as a proportion of educational costs?

Recommendation #100 as adopted by the Council for inclusion in the Planning and Policy Recommendations For Washington Postsecondary Education: 1976-1982 document states: "During the 1975-77 biennium the Council for Postsecondary Education will develop recommendations for a public policy on the portion of costs to be borne by students. As part of these policy recommendations, the Council will propose methods for determining the educational costs related to the instruction of students. The Council will make its recommendations to the legislature and the Governor prior to November, 1976."

Recommendation 1: The Council for Postsecondary Education reaffirms the above recommendation and believes it is sound public policy to base student tuition and fees as a proportion of educational costs and recommends active consideration of this approach by the Legislature.

(2) Should the "educational costs" include capital costs?

Technically, the full cost of education includes all costs. The question here is posed in operational terms and asks whether a capital amortization cost should be included in the pool against which tuition and fees should be compared.

From one point of view, these costs should be included since facilities support instruction and the "tuition" category is used exclusively for capital purposes.

On the other hand, it can be argued that the state has recognized a responsibility to provide the facilities for higher education as evidenced by initial construction at The Evergreen State College and new community colleges prior to student enrollment. In addition, the voters have approved general obligation bonds, both through special issues and HJR-52, the general bonding amendment.

In this context, "tuition" can be looked on as a funding device which allowed the state to avoid previous constitutional bars to long-term general debt. Under this logic, if the tuition were not used for construction it would support operational costs now funded by general tax revenues. Therefore, the state is in fact supporting construction costs, both through general obligation bonds and replacement of dedicated tuition revenue.

From a technical point of view, the methods of determining capital amortization costs are open to dispute. A straight line depreciation method understates the current value of the facilities. A replacement cost method tends to overstate the current value since it only deals with current worth in terms of how much it would cost to replace facilities and does not reflect obsolescence. (Replacement costs now average 185 percent of original costs.) Questions also exist regarding the assumption of a uniform useful life when some structures (particularly wood-frame) were intended for shorter than average use and the extent to which original equipment is to be included. (See Appendix D for a summary of concerns which have been expressed by this subject.) To be accurate, an on-going appraisal and highly detailed inventory program would be necessary to ensure fairness.

Recommendation 2: The Council is of the opinion that the state has an obligation to provide the educational facilities in its public institutions and that the dedication of tuition to construction is a funding device. In addition, the Council believes that capital needs should compete with operational needs and that tuition funds not now needed for debt repayment should be available for operating purposes. The Council therefore recommends that capital amortization costs not be included in the total educational costs for calculating tuition and fees.

(3) Should the services and activities fees be included in the total fees to be related to educational costs?

The purpose of the services and activities fee category is to provide funds for student activities and related programs outside of those presented in the budget. Insofar as the state is concerned, they are neither budgeted nor appropriated but are held locally to finance a variety of local programs. Uses include support of student government, newspapers, student organizations, recreation, special events and, in some cases, intercollegiate athletics. In the case of the four-year institutions, funds are used or pledged for construction of student activity facilities. In the three older state colleges, a portion of these fees are pledged to dormitory bond redemption.

In the Council's opinion, this category is not part of "the cost of higher education which relates to instruction of students" but goes beyond that cost. It would represent a major departure to expect the general taxpayer to support the majority of these costs and could lead to incorporating student activities into the state budget with a considerable loss of local flexibility to meet varying needs and student priorities.

Recommendation 3: The Council recommends that the services and activities fee category not be included in the total fees to be directly related to educational costs.

(4) If services and activities fees do not relate to educational costs, how should these fees be set?

As was noted above, this fee category supports local activities which vary among institutions. Staff surveys indicate that it is common practice to set these fees locally, although within general guidelines. This seems to be an area where local boards could exercise discretion as to the level of fees and their application to certain groups of students (e.g., evening or off-campus students) although statutory provision is needed to ensure bond repayments in the four-year schools.

The Council is aware of the concerns which have been expressed by student representatives regarding the uses of revenue from this source and related procedural questions. These concerns have lead to House Resolution 1976-77 which calls for the institutional adoption of guidelines and procedures for adequate student input on budgeting and expenditures of these fees and a definition of the programs and activities to be supported.

In view of the testimony which has been presented, the Council sees considerable merit in setting maximum limits on this fee category. In the light of general inflationary pressures, the Council feels these maximums should be expressed as percentages of tuition and operating fees which would produce approximately the same services and activities fees as now exist assuming the adoption of Recommendation 10. The following example outlines this interrelationship:

Universities

Educational Cost	$2,238
Recommended Tuition and Operating Fee Percent	.25
Tuition and Operating Fees	$ 560
Services and Activities Fee Percent	.20
Services and Activities Fee	$ 112
Existing Services and Activities Fee	$ 111

Recommendation 4: The Council recommends that services and activities fees be set by boards of trustees or regents within maximum limits based on the following percentages of the total undergraduate resident tuition and operating fees: universities, twenty percent; three state colleges, forty percent; The Evergreen State College, thirty percent; and community colleges, twenty percent.

(5) Should the same percentage factor apply to each type of institution?

The Council sees considerable merit in differentiating the percentage rate between types of institutions. The universities possess a greater variety of programs and options and have a depth of resources not available at the state colleges. Community colleges are the basic source of access to postsecondary education. The community college law also speaks to providing services to students "at a cost normally within his economic means". Recommendations 102 in the Council's Planning and Policy Recommendations For Washington Postsecondary Education: 1976-1982 also speaks to this subject as follows: "... the Council recommends continued utilization of a tuition and fee pricing system that differentiates between categories of instruction."

Another factor which should be considered is the different amounts of services and activities fees which would be outside the percentage amount. These are currently: state colleges, $157.50*; universities, $111; and community colleges, a maximum of $43.50. Application of the same percentage to the state colleges as used for the universities would result in approximately the same total charges even though the costs at the colleges is lower.

	Three Colleges	Two Universities
1. Estimated Educational Cost	$2,028.00	$2,238.00
2. Percent	x .25	x .25
3. Tuition and Operating Fees	$ 507.00	$ 560.00
4. Services and Activities Fees	157.50	111.00
	$ 664.50	$ 671.00

Recommendation 5: In establishing the proportions of educational cost to be paid by student tuition and fees, the Council recommends that differing percentage factors be applied to the different groupings of institutions.

(6) Should the same percentage factor apply to each resident fee category?

There are four basic categories now in the tuition and fee statutes which apply to resident students: undergraduate**, graduate, Vietnam veteran and medicine, dentistry and veterinary medicine. The current amounts are as follows:

	Universities	State Colleges	Community Colleges
Undergraduate	$564	$507	$249
Graduate***	$624	$567	--
Vietnam Veterans***	$432	$360	$210
MD/DDS/DVM	$675/$632****	--	--

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*Central Washington State College = $145.50

**Undergraduate includes post-baccalaureate students not admitted to graduate school.

***Until 1971, graduate students paid no additional amount and the Vietnam veteran category did not exist in the tuition and fee structure.

****Veterinary medicine.

Vietnam Veterans

The act of freezing charges to Vietnam veterans at 1971 levels has resulted in these fees being from 15 to 29 percent below those charged to other Washington residents. Vietnam veterans' tuition and operating fees make up 12 to 15 percent of the full cost of instruction.

Graduate Students

In April, 1975, a Council staff survey* of universities in 48 states indicated that 19 of these institutions charged higher fees to resident graduate students. The differential ranged from $25 to $615 per year with a median surcharge of $81. A copy of the table describing the various patterns used by other states appears on the following page.

Based on the 1972-73 unit expenditures study, staff estimated that the current instruction related expenditures per graduate student are approximately $4,250 at the universities and $3,400 at the colleges. Graduate tuition and operating fees now approximate twelve percent of these amounts at both the universities and the state colleges.

Of the states basing tuition and fees on a proportion of cost, three (Wisconsin, Oregon and Florida) apply percentage factors to graduate costs to determine graduate tuition and fee levels. Wisconsin and Oregon apply a lower percentage (20+ percent) and Florida uses the same factor for all categories on a per credit hour basis.

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*Follow-Up Study of Tuition and Fee Comparisons, April 1975.

TABLE VI

COMPARISON INSTITUTIONS' TUITION AND FEE CHARGES TO GRADUATE STUDENTS
1974-75

Institution	Resident Students Undergraduate	Resident Students Graduate	Resident Students Difference	Non-Resident Students Undergraduate	Non-Resident Students Graduate	Non-Resident Students Difference
Section A: Equal Dollar Differential for Resident and Nonresident Graduate Students						
University of Kentucky	$480	$530	$ 50	$1210	$1260	$ 50
University of North Dakota	435	516	81	1164	1245	81
University of Tennessee	417	447	30	1269	1299	30
University of Washington	584	624	60	1581	1641	60
Section B: Increased Charges to Resident Students Only						
University of California	$644	$704	$ 60	$2144	$2144	$ 0
Rutgers University	725	840	115	1310	1310	0
Ohio State University	780	960	180	1830	1830	0
University of Virginia	627	687	60	1552	1552	0
Section C: Increases to Resident Students - Decreases to Nonresident Students						
University of Maryland	$698	$940	$242	$1848	$1440	$-408
University of Massachusetts	549	590	41	1349	1040	-309
University of Oregon	573	837	264	1833	837	-996
West Virginia University	318.50	348.50	30	1248.50	1098.50	-150
Section D: Larger Differentials Charged to Nonresident Students						
University of Iowa	$600	$705	$105	$1434	$1584	$ 150
University of Michigan	854.50 (ave)	1470	615.50	2700 (ave)	3780	1080
University of Minnesota	714	888	174	1677	2037	360
University of Rhode Island	796	836	40	1696	1856	160
University of South Dakota	584	609	25	1280	1330	50
University of Wisconsin	610.50	796	185.50	2055	2634	579
Section E: Larger Differential Charged to Resident Student						
State University of New York	$825 (ave)	$1300	$475	$1287.50 (ave)	1600	$ 312.50
Section F: Decrease in Charges to Graduate Students						
University of Connecticut	$715	$ 704	$-11	$1715	$1204	$-511
Section G: No Increases to Resident Students - Decreases to Nonresident Students						
Louisiana State University	$320	$320	$ 0	$1050	$ 620	$-430

Medicine, Dentistry and Veterinary Medicine

Determining the "cost" of medical, dental and veterinary programs is extremely difficult due to the interrelationship of instruction, research and patient service. Based on the 1972-73 cost study and efforts of the American Association of Medical Colleges, the AVMA and other groups, staff estimate that current costs would fall in range of from $10,000 to $13,000 per student. The University of Washington's current per student charge to other states under the WAMI Cooperative Medical Program is $12,900 including capital costs.

Using the above amounts as a guide, current resident tuition and operating fees bear five percent or less of the total cost related to instruction in these professional areas.

Recommendation 6: The Council recommends that the different fee categories be considered individually in establishing percentage of cost factors for tuition and fee purposes.

(7) Should the tuition and operating fees be the same for the same type of institution? Should The Evergreen State College be included with the three older state colleges or treated separately?

Recommendation 7: The Council recommends that tuition and operating fee amounts be identical in each of the following categories:

1. Two universities
2. Three state colleges
3. The Evergreen State College
4. Community colleges

This recommendation is based on the following considerations: the above institutional groupings are separately set forth in the Council's planning and policy recommendations as having distinct differences in role and mission; the institutions in these groupings have been funded on the same budget assumptions and their cost patterns are similar. In addition, consistent treatment within each group will assist the public in understanding the basis for tuition and operating fee charges and minimize confusion.

The Evergreen State College has been separated from the other colleges both for the reasons outlined in the planning and policy recommendations and since we feel that students at the three older state colleges should not have to bear a portion of Evergreen's current high costs per student. Evergreen also has a flexibility not enjoyed by the older state colleges in that while their services and activities fees are the same, they have no commitments to housing or dining bonds which makes up $75 to $90 of the total at the other state colleges.

(8) What should be the basis of the cost calculations and what base year or years should be used?

In addressing this question, the Council reviewed the alternatives outlined in Appendix E which had been presented in the January staff report. The recommendation is based on the following considerations:

(A) The full cost of instruction should be based on factors developed through a thorough study of expenditures in order to properly allocate costs to instruction, research and public service functions. While it is possible to exclude certain large cost elements (federal cooperative extension for example) the costs of operating and maintaining the physical plant and the overall costs of administration among others need to be properly apportioned to the functions they support.

(B) The rates which are determined should be known well in advance. This allows accurate estimates of revenue to be made for budgeting by all parties involved; the institutions, the Governor and the legislature. This also enables prospective students to plan more effectively and helps in financial aid "packaging".

(C) The base should not be subject to temporary (albeit substantial) fluctuations due to over- or under-enrollment which could significantly impact per student expenditures. For example, the under-enrollment at Western Washington State College produced temporarily high unit costs which declined rapidly when savings were possible. The current over-enrollment in the community colleges has depressed unit costs which, if past experience is a guide, will be corrected in the next biennium.

(D) The base should reflect the public policy decisions of the legislature through the appropriation process and contain specific financial and enrollment assumptions which can be used in the calculation process.

The approach that appears to meet all of the above considerations is one which is an adaptation of alternative 2 in Appendix E. That is to base the rates for the ensuing biennium on the planned and budgeted level of funding and enrollment for the current biennium.

Recommendation 8: The Council recommends that tuition and operating fees be adjusted biennially with undergraduate resident rates for the ensuing biennium based on educational costs calculated on the basis of the budgeted levels for the current biennium through application of factors and ratios derived from the most recent Council cost analysis. The budgeted levels would be the funding and enrollment amounts used in the budget on which original appropriations were based as adjusted by subsequent legislative and executive action during the biennium.

It is the Council's opinion that if this method were used, rates for the next biennium would be known well in advance for budgeting and planning purposes. There would be ample opportunity to monitor and review procedures and last minute miscalculations can be avoided while still basing the system on a cost analysis base and the policy decisions of the preceding legislature.

(9) What elements should comprise the cost base?

This is an extremely important question since the composition of the cost base is critical to the entire system. In view of previous and current efforts in studying unit expenditures, it is appropriate that the base consist of those elements which directly or indirectly support the instruction of students including related student services as they have been categorized in those analyses. Although the listing is not exhaustive, the following elements should be included:

(A) Direct Costs As They Can Be Attributed To Instruction*

- -- Salaries and fringe benefits of instructional personnel
- -- Salaries, wages and fringe benefits of support personnel in instructional departments, e.g., lab assistants and secretaries
- -- Salaries, wages and fringe benefits of supervision, e.g., department chairmen and directors
- -- Non-salary costs of instructional departments insofar as they support instruction directly or the personnel outlined above

Note: The above applies to student credit hours in the academic year and excludes incremental costs of summer programs, non-credit instruction and contract instruction.

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*As opposed to research or public service

(B) Other Educational Costs: The Expenditures of the Following Activities

- -- Admissions
- -- Registration
- -- Counseling
- -- Health Services
- -- Testing
- -- Financial Aid Administration
- -- Student services to certain groups, e.g., minority programs, foreign student programs, veterans, etc.
- -- Student services administration and related services

(C) Indirect Costs: Proportions of the Following Activities

- -- Libraries and learning resources
- -- Academic computing support
- -- Ancillary support, e.g., demonstration schools
- -- Other academic administration
- -- Operation and maintenance of the physical plant
- -- Institutional management (general administration).

In the area of exclusions, cost centers outside the state budget structure would not be included. Activities in this category are auxiliary enterprises (e.g., housing and dining), intercollegiate athletics and student activity programs financed from services and activities fees. Capital amortization costs, financial aid grants and research and public service activities would be specifically excluded. The indirect costs associated with all of the above activities would also be excluded.

In order to ensure good public understanding of the costs which are used in the calculations we would suggest that there be ample opportunity provided to executive and legislative bodies to review the criteria, definitions and procedures. The determination of costs should therefore be made as early as possible in each even numbered year, but following any special session in that year.

Recommendation 9: The Council recommends that the educational cost base include both direct and indirect costs related to instruction during the academic year, plus the costs of student services to the extent included in the budget on which appropriations are based. Elements excluded from the cost base would include the direct and indirect costs of research and public service activities, self sustaining activities, capital amortization costs, summer programs, intercollegiate athletics, auxiliary enterprises, financial aid grants and student activity programs financed from services and activities fees.

The Council also recommends that the full cost of educational services be determined for undergraduate students in accordance with criteria, definitions and procedures developed by the Council and reviewed by the Governor or his Office of Program Planning and Fiscal Management and subject to the final approval of an appropriate legislative committee or committees. The determination should be made as early as possible in each even numbered year. but following any special session in that year.

(10) What proportions or ratios should be applied to determine tuition and operating fees?

The State of Washington uses a "mixed" system of financing postsecondary education wherein both the taxpayer and the students (and their families) share in the costs. In the course of this study, the staff has surveyed -- by letter, phone and in person -- those states which relate fees to the cost of instruction. In addition, we have contacted a number of states who have proposed such a relationship. We have also reviewed the available literature on this subject (which is considerable). In no case have we found a definitive, uniformly accepted philosophic basis indicating the proportion of total costs which should be borne by the student or the taxpayer. This was true in both the case of states which had implemented a "cost sharing" system and those which were exploring such a system.

Arguments can be, and have been, made for the position that students should pay the full cost of education beyond the high school. Those favoring this position argue that the only quantifiable benefits are financial and accrue in greatest measure to the individual. Equally strong arguments can be made that society should bear the whole cost of as much education as an individual can attain due to the psychic-societal benefits of an educated citizenry*.

Most states, however, have taken the same approach as Washington, that the cost of higher education or its benefits cannot be definitely attributable to either clientel -- society or the student -- that it is a mixed cost producing mixed benefits. The discussion then centered on what is a reasonable and fair share for each.

If the extremes of full cost pricing and zero tuition are not implemented (and they have not been fully implemented in any state), it becomes a matter of judgement as to the proportion of the instructional cost which should be borne by the users of instructional services. As Bowen and Servelle** point out, "The controversy is basically one of values and judgements. Neither side can overwhelm the other." They go on to note that, "Basically the finance of American higher education continues to be a mixed system ... evolved to meet the exigencies of institutions and students and it has been a product of the complex cross-currents of American politics."

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*A discussion of the various points of view are available in a number of papers and monographs. For further information, it is suggested that the reader refer to the June, 1973 Carnegie Commission report, Higher Education: Who Pays? Who Benefits? Who Should Pay? and the Commission's April, 1974 supplemental statement, Tuition. Both contain excellent bibliographies. Chapter 2 of the Council's report, Financing Postsecondary Education in the State of Washington, also includes an extensive discussion of this subject.

**Bowen, Howard and Servelle, Paul, Who Benefits From Higher Education -- And Who Should Pay? Washington, D.C. ERIC, 1972.

Within this context, the determination of the proportion of the cost of educational services to be borne by the users is a matter of judgement which ultimately must be made by public policy makers, in this case the legislature. Under Senate Resolution 1975-131, the Council is asked to make recommendations on this subject in keeping with its statutory responsibility to "study levels of fees and charges to students and, when necessary, make recommendations to the institutions, legislature and governor."

(A) Undergraduate Resident Students

As the survey discussed in Section V indicates, those states which base tuition and fees on a percentage of cost have tended to center on a twenty-five percent factor* for the four-year institutions and twenty percent in two-year institutions. Those states which have made recommendations on this subject have tended to focus on a one-third factor for four-year institutions which is consistent with the recommendations of the Carnegie Commission on Higher Education. The Commission recommended in Who Pays? Who Benefits? Who Should Pay? a low or no tuition policy for community colleges and a one-third of cost position for four-year institutions.

In its supplement Tuition (1974), the Carnegie Commission provided extensive information on the proportion of education and general expenditures** borne by revenue from tuition and fees which provide education and general income. While the base is somewhat different, the proportions and the relationships among types of public institutions are of interest. In 1971-72 the proportions were as follows:

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*Including Florida, when student aid and student service fees are excluded.

**Excluding research. This base is somewhat larger than that recommended earlier since it includes extension and public service and all general institutional expenditures as opposed to a pro rata sharing.

Universities	23.1%*
Comprehensive Colleges and Universities and Liberal Arts Colleges	19.5% - 22.8%
Two-Year Institutions	16.7%

In the first two years after tuition and fees were last increased in Washington, the sum of tuition and operating fees bore the following percentage relationships to educational costs: universities, 25%; three state colleges, 21%; Evergreen, 12.5%; and community colleges, 17.5%. (See Table I for a year by year breakdown.)

The information in Table VII on the following page is provided to put the possible alternatives in perspective. Educational costs for 1975-76 are estimated based on the 1972-73 study applied to 1975-76 budgeted amounts and include the elements outlined in the discussion of the previous recommendation. Services and activities fees are shown at existing statutory levels.

Recommendation 10. The Council for Postsecondary Education recommends that the total of tuition and operating fees charged to resident undergraduate students bear the following relationships to undergraduate educational costs:

(A) Universities, one-fourth or twenty-five percent;
(B) Three state colleges, one-fifth or twenty percent;
(C) The Evergreen State College, one-fifth or twenty percent; and
(D) Community colleges, one-sixth or sixteen and two-thirds percent.

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*The effect of the larger base is highlighted in that those institutions with more research and public service activity were at 21 percent while the other subcategories ranged from 25 percent to 26 percent.

TABLE VII

COMPARISON OF ALTERNATIVE PERCENTAGES
Undergraduate Tuition and Operating Fees to Educational Costs*

	Tuition and Operating Fees	Services and Activities Fees	Total
Universities			
Current (20.2%)	$ 453	$111	$ 564
15.0%	336	111	447
16.7% (one-sixth)	374	111	485
20.0% (one-fifth)	448	111	559
25.0% (one-fourth)	560	111	671
30.0%	671	111	782
33.3% (one-third)	745	111	856
100.0%	$2,238	$111	$2,349
Three State College Average**			
Current (17.2%)	$ 349.50	$157.50	$ 507
15.0%	304.50	157.50	462
16.7% (one-sixth)	338.50	157.50	496
20.0% (one-fifth)	405.50	157.50	563
25.0% (one-fourth)	507.50	157.50	665
30.0%	608.50	157.50	766
33.3% (one-third)	675.50	157.50	833
100.0%	$2,028.00	$157.50	$2,185.50
The Evergreen State College			
Current (10.9%)	$ 349.50	$157.50	$ 507
15.0%	480	157.50	637.50
16.7% (one-sixth)	533.50	157.50	691
20.0% (one-fifth)	640	157.50	807.50
25.0% (one-fourth)	800	157.50	957.50
30.0%	960	157.50	1,117.50
33.3% (one-third)	1,066.50	157.50	1,224
100.0%	$3,200	$157.50	$3,357.50
Community Colleges			
Current (14.5%)	$ 205.50	$ 43.50	$ 249
15.0%	212.50	43.50	256
16.7% (one-sixth)	236.50	43.50	280
20.0% (one-fifth)	283.50	43.50	327
25.0% (one-fourth)	354.50	43.50	398
30.0%	425.50	43.50	469
33.3% (one-third)	472.50	43.50	516
100.0%	$1,417	$ 43.50	$1,460.50

*Educational costs shown are from Table I.

**EWSC and WWSC pattern shown. CWSC operating fees are $12 higher and services and activities fees are $12 lower.

Further, that the total tuition and operating fees at The Evergreen State College not exceed those of the two universities.

The Council also suggested that if these recommendations are implemented that The Evergreen State College Board of Trustees carefully consider its level of services and activities fees and their impact on total charges to students attending that institution.

The Council recognizes that other alternatives are possible, including higher objectives with a phase-in period, but believes that the recommended proportions reflect its basic policy and planning recommendations and recognize practical realities. It could be contended, for example, that the colleges and universities should be at the same percentage. The fact that the three colleges have made commitments to long-term debt of auxiliary facilities should be taken into account. As the table indicates, the total charge at 25 percent would be $665, only $6 lower than the universities. The application of the 20 percent factor results in an overall relationship to the universities which is in keeping with the planning objectives. The recommended level for community colleges recognizes the commitment to access in the plan and the statutory objective of keeping costs normally within the students' economic means.

(B) Vietnam Veterans

During the debate on the 1971 tuition and fee increase measure, the legislature amended the proposal to exempt veterans of the Vietnam conflict from the payment of any increase in tuition and fees above levels in effect in March 1971. The exemption applies only to resident students. The differences in charges to these individuals and other resident students is as follows:

	Resident	Vietnam Veteran	Percent	Dollar Difference
Universities				
Undergraduate	$564	$432	76.6%	$132
Graduate	624	432	69.2%	192
State Colleges				
Undergraduate	$507	$360	71.0%	$147
Graduate	567	360	63.5%	207
Community Colleges	$249	$210	84.3%	$ 39

The Council has taken the following factors into account in making its recommendation on this fee category:

(1) The eligibility of these students for G. I. Bill benefits which total $2700 for a ten month period for single veterans;

(2) The desirability of equity in a system where tuition and operating fees are based on a proportion of educational costs; and

(3) Its overall policy of opposing waivers which are not based on financial need.

Recommendation 11: The Council recommends that the statute exempting Vietnam veterans from tuition and fee increases be repealed and that these individuals pay the same tuition and fees as other resident students.

(C) Graduate Students and Students Enrolled in Medical and Dental Programs

Insofar as graduate and medical and dental students are concerned, we believe that there is good reason to use a procedure which results in higher charges but not in the same proportions as undergraduates. These programs can be controlled in terms of the public's interest in the amount of highly trained individuals in certain fields. The state has no overall commitment to access in this area but has a specific interest in the results of graduate and professional education.

Another factor to be considered is the lack of student aid for these students, many of whom have already incurred long-term debt in their undergraduate education. Until such time as the many questions as to the state's interest in graduate and professional education is resolved and effective financial aid can be made available, the Council suggests that these rates be set as a proportion of the rates for resident students using the current relationships as a guide. This approach is illustrated for graduate students in Table VIII on the following page.

Recommendation 12: The Council recommends that the tuition and operating fees charged to graduate students be based on one hundred fifteen percent of the tuition and operating fees paid by undergraduate students.

Recommendation 13: The Council recommends that the tuition and operating fees charged to students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery and doctor of veterinary medicine be based on one hundred sixty percent of the tuition and operating fees paid by undergraduate students.

(D) Nonresident Students

Two factors have substantially added to the complexity of the question of nonresident tuition and fees:

(1) The reduction of the age of majority (for most purposes) to eighteen, and the increasing number of older age students in public institutions of higher education.

(2) Residency laws (for tuition and fee purposes) have been modified in nearly all states to conform with court decisions or to reflect the practical realities of an adult, mobile population.

TABLE VIII

COST PER FTE GRADUATE STUDENT AND SUGGESTED METHOD OF CALCULATING TUITION AND OPERATING FEES

	Universities	State Colleges
1972-73	$3,286	$2,692
Percent Increase in Cost to 1975-76	30%	26%
Estimated 1975-76 Cost Per Student	$4,255	$3,399
Current Tuition and Operating Fees	$513 (12.0%)	$409.50 (12.0%)

Impact of Alternative Percentages

Universities	Tuition and Operating Fees	Services and Activities Fees	Total
Current (12.0%)	$ 513	$111	$ 624
15.0%	638	111	749
16.7%	711	111	822
20.0%	851	111	962
25.0%	1,064	111	1,175
30.0%	1,276	111	1,387
33.3%	1,418	111	1,529
100.0%	$4,255	$111	$4,366
Three State Colleges			
Current (12.0%)	$ 409.50	$157.50	$ 567
15.0%	509.50	157.50	667
16.7%	566.50	157.50	724
20.0%	679.50	157.50	837
25.0%	849.50	157.50	1,007
30.0%	1,019.50	157.50	1,177
33.3%	1,132.50	157.50	1,290
100.0%	$3,399.50	$157.50	$3,557

Suggested Method

	Universities	State Colleges
Undergraduate Tuition and Operating Fee	$560 (25%)	$405.50 (20%)
Graduate Factor	115%	115%
Graduate Tuition and Operating Fee	$644 (15%)	$466.50 (14%)
Services and Activities Fees	$111	$157.50
	$755	$624.00

At the same time, public institutions have been dependent on the higher tuition and fees paid by nonresidents for continuing support of higher education operations. In Washington, the annual amount of additional revenue from this source is approximately $6.8 million.

In view of the complexity of the issues affecting tuition and operating fees charged to nonresidents, the Council requested a special report concerning this subject. The report is presented in its entirety as Appendix F, and is the basis for the following Council recommendations.

Recommendation 14: The Council recommends that effective Fall, 1979, tuition and operating fees for the two universities and the state's community colleges be established at 90 percent of educational costs. Further, that during the 1977-79 biennium the current nonresident tuition and operating fees be increased to reflect an additional amount equal to one-third of the difference between the estimated 1979 rate and the current rates.

Recommendation 15: The Council recommends that effective Fall, 1979, tuition and operating fees for the state colleges be established at 75 percent of educational costs. Further, that during the 1977-79 biennium the current nonresident tuition and operating fees be increased to reflect an additional amount equal to one-third of the difference between the estimated 1979 rate and the current rates: provided, that the tuition and operating fees charged to nonresident students at The Evergreen State College not exceed the amount charged by the two universities.

Recommendation 16: The Council recommends that each institution ensure that all applications for reclassification are supported by documented evidence and that such evidence is maintained as part of the institution's records for each applicant, with particular reference toward documented proof of domicile.

Recommendation 17: The Council recommends that the Council staff actively pursue the study and presentation of reciprocity and regional program options as outlined in the Planning and Policy Recommendations.

VII. WAIVERS OF TUITION AND FEES

Senate Resolution 1975-131 asks the Council for recommendations dealing with waivers of tuition and/or fees for various categories of individuals now set forth by statute. As the following inventory illustrates, there are thirteen such programs aiding over 11,000 people through need based waivers, special exemptions or full or partial waivers due to the individual's status or relationship.

With the assistance of the State Board for Community College Education, Council staff surveyed the two- and four-year institutions to determine the degree to which each program is being used. Although in some cases estimates have been used, the totals are reasonably reflective of the extent of use. That information, along with a brief description of each program, follows:

(1) "Three Percent" Waiver Program: RCW 28B.15.530

Provides that institutions may waive tuition, operating and services and activities fees for needy or disadvantaged Washington residents and that the total amount of all such waivers shall not exceed three percent of total collections exclusive of the added amount paid by nonresidents. This program was instituted in 1971 and is in operation as a basic part of the state's financial aid effort. Approximate number of students aided in 1974-75: 5,656.

(2) Blind Students Assistance: RCW 28B.10.210

Provides that no blind student shall be charged any tuition or laboratory fee by any state institution. This program dates back to 1935 and is supplemented by appropriations for other assistance which are made to the Council. Approximate number of students aided in 1974-75: 40.

(3) High School Completion: RCW 28B.15.520-525

Allows community colleges to waive tuition, operating and services and activities fees for needy students pursuing a high school diploma or certificate. Authorized in 1969 and administered as a part of the three percent program. Several attempts (including an appropriations act proviso) have been made to eliminate the "need" criteria. Approximate number of students aided in 1974-75: 1,218.

(4) Children of Law Enforcement Officers or Fire Fighters Deceased or Totally Disabled in the Line of Duty: RCW 28B.15.380, 28B.15.520 and 28B.40.361

Allows waiver of tuition, operating and services and activities fees for such children over the age of nineteen years. Initiated in 1973. No students identified as being aided in 1974-75.

Various Veterans Programs*

(5) Children of Deceased or Totally Incapacitated Veterans: RCW 28B.10.250

Provides that no "tuition" shall be charged to such children when certified by the Council for Postsecondary Education. The program began in 1937 and is still in operation. Approximate number of students aided in 1974-75: 712.

(6) Children of POW's or MIA's: RCW 28B.10.265

Provides that no tuition, operating or services and activities fees shall be charged to children of persons who lived in Washington and were classified as a prisoner of war or was missing in action in Southeast Asia or Korea after 1971. Enacted in 1972. Approximate number of students aided in 1974-75: 5.

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*In addition to reduced rates for 10,913 veterans of the Vietnam conflict.

(7) Veterans Who Have Exhausted Federal Benefits (Universities and State Colleges Only): RCW 28B.15.380(1) and 28B.40.361

Authorizes the waiver of tuition, operating and services and activities fees for such resident veterans and the waiver of half of the amount for nonresidents. Authorized in 1947 and amended in 1969, but has not been generally implemented. Approximate number of students aided in 1974-75: 31 (University of Washington only).

Waiver Programs: Universities

(8) Foreign Students, Universities: RCW 28B.10.200

Provides the two universities may each award up to 100 scholarships per year to foreign students through waiver of tuition, operating and services and activities fees. This program began in 1945 and is in operation. Approximate number of students aided in 1974-75: 182.

(9) University Staff Members: RCW 28B.15.380(2)

Provides that members of the staffs of the two universities may receive waivers of tuition, operating and services and activities fees. The authorization dates back to 1921 and is in operation on a selective basis. Approximate number of students aided in 1974-75: 1,019 (University of Washington only).

(10) Public School Teachers Supervising Cadet Teachers From the University of Washington: RCW 28B.15.380(3)

Similar waivers as in (9) above are authorized. No students identified as being aided in 1974-75.

Waivers of Nonresident Fees: RCW 28B.15.014

Certain classes of people are entitled by this statute to classification as Washington residents for fee purposes:

(11) Any person who is employed not less than twenty hours per week at an institution, and the children and spouses of such persons. Approximate number of students aided in 1974-75: 1,822.

(12) Military personnel and federal employees residing or stationed in the State of Washington, and the children and spouses of such military personnel and federal employees. Approximate number of students aided in 1974-75: 558.

(13) All veterans, as defined in RCW 41.04.005 whose final permanent duty station was in the State of Washington so long as such veteran is receiving federal vocational or educational benefits conferred by virtue of his military service. Approximate number of students aided in 1974-75: 79.

The total number of students aided by these programs in 1974-75 was 11,322.

As the above listing indicates, the tuition and fee statutes of Washington are not applied to the same extent to all classes of people. Exemptions have been used to compensate or reward groups, recognize need or a perceived social obligation or provide a fringe benefit. Classification of nonresidents as residents has been used to recognize federal employee transfer policies and to provide immediate resident classification for institutional employees including graduate teaching assistants.

As a general policy, the Council opposes waiver programs which are not need based and where no overriding educational need exists. The Council recognizes that the legislature has determined that specific groups should be accorded an educational benefit by virtue of service or circumstances, but feels that these programs should be periodically reviewed to determine whether these programs are still necessary.

Recommendation 18: The Council recommends that the legislature carefully review each tuition and fee waiver program with the objective of retaining only those which are based on need. To the extent that tuition and fee waivers are continued, they should be made more visible in order to provide an opportunity for continuing review. The Council therefore recommends that each tuition and fee waiver program should be listed in the Governor's budget along with the number of students aided in each year. The cost of the program, in terms of lost revenue, should also be indicated. Those programs which are continued should not be optional but should be consistently applied within criteria or limits set forth by the law establishing the program.

Recommendation 19: The Council specifically recommends that the legislature, in its 1977 regular session, abolish or modify the following programs:

(A) Public School Teachers Supervising Cadet Teachers From The University of Washington: RCW 28B.15.380(3). Repeal is recommended.

This program is not now in use and is not planned to be used to the best of our knowledge.

(B) University Staff Members: RCW 28B.15.380(2) Repeal is recommended.

Several other four-year institutions have adopted reduced rate schedules for staff members enrolled part-time; usually in courses related to their employment. The desirability of staff development is not questioned, however, it is felt that either the reduced rate approach should be used, that the program be funded as the staff development activities of state agencies are funded, or that a possible approach combining the two alternatives be developed. In either case, it is recommended that RCW 28B.15.380(2) be repealed.

(C) Veterans Who Have Exhausted Federal Benefits: RCW 28B.15.380(1) and 28B.40.361 Repeal is recommended except for students currently enrolled.

This program is now in use only at the University of Washington where 31 World War II veterans are now receiving waivers. The Council recommends that the program be terminated at such time as these individuals have completed their courses of study and that the program not be initiated at any other institution.

(D) Blind Students Assistance: RCW 28B.10.215 Amending the statute is recommended to eliminate the waiver and increase the direct allocation amount.

Currently only the tuition and laboratory fees are waived. The students receiving this aid are also covered by vocational rehabilitation or the Council's direct aid program, which is authorized by this statute. Both support programs could pay the tuition and laboratory fees (in the case of vocational rehabilitation, federal funds make up the major share) and the waiver provisions can be abolished and the blind students would not be adversely affected if the allocation amounts in the statute were increased.

Recommendation 20: The Council recommends no change in the foreign student scholarship program authorized by RCW 28B.10.200 but recommends to the University of Washington that they take steps to increase the number of awards made on a reciprocal basis (as expressed in the original statute) and recommends to both universities that the awards to students already enrolled be limited to the difference between resident and nonresident fees unless justified on the basis of documented financial need.

Recommendation 21: The Council recommends additional legislation which would allow ten full awards per state college, such awards to be made through a recognized exchange organization such as the Institute for International Education.

The above recommendations are based upon an intensive review of the operation of the foreign student scholarship program and the extent of foreign student enrollments. The following discussion reflects the findings of that review.

Background

As originally enacted in 1945, the program provided 50 scholarships and required an assurance of reciprocity from the foreign nation. In 1949, the number of awards was increased to 100 and in 1969 the reciprocity provision was deleted in the recodification of Title 28.RCW (Chapter 223, Laws of 1969, 1st Ex. Sess.). As a matter of fact, virtually no foreign countries charge nonresident fees because, in most cases, their institutions are supported by the national government. Texas has certified 92 countries that charge less than $400 per year to U. S. students. To the best of our knowledge, no substantial questions have been raised in legislation concerning this program in the last several years.

Program Operation

In reviewing the operation of the program at the two universities, two different patterns became evident. At Washington State University, between two-thirds and three-fourths of the awards are tied to exchange programs initiated by WSU or various international organizations such as the Institute of International Education. The remainder are granted to foreign students who have been attending the institution.

The University of Washington, on the other hand, reserve about one-fourth of its awards for exchange programs and reserve three-fourths for continuing students. In making awards to continuing students, the University of Washington uses the student's grade point average (GPA) to determine the ranking. Students with the highest GPA receive top priority for awards. The amount of the award depends on the financial need of the applicant. Currently, 31 students who were on the priority list either were initially given partial awards or forfeited full awards and received a partial grant. In addition, 12 other students were granted partial awards, seven of which were emergency grants.

Washington State University makes relatively few partial awards but appears to give financial need greater weight in the selection process. While academic performance is a significant factor, leadership and "contribution to intercultural communications" are taken into account. As at the University of Washington, Washington State University also makes a limited number of emergency awards. In both institutions the majority of the awards are for a one-year period or less.

Programs in Other States

The table on the following page identifies those states which provide foreign student scholarship aid as reported in Minnesota's Commitment to International Education, March 1973. This document preceded the enactment of legislation in Minnesota providing for waiver of tuition for foreign students in Minnesota institutions.

In addition to this information, telephone contacts were made with officials in Texas, Oregon and Minnesota concerning legislation enacted since 1973.

In Oregon, the statutes permit use of ten percent of all nonresident fee income for fee remissions to foreign students based on need. Currently,

TABLE IX

METHODS FOR PROVIDING FOREIGN STUDENT SCHOLARSHIP AID

(Computed Only For University Systems --
Not for Individual Colleges and Universities)

FOREIGN STUDENT SCHOLARSHIP IN OTHER STATES

(Applicable only to university systems -- not to individual institutions)

	Complete Tuition Waiver (Fixed Numbers or Special Formula	Fixed % of Foreign Students Given Non-resident Waiver	Tuition Waiver Based on Co-Sponsorship with U.S. Non-Profit Organization	Reciprocity	Half Tuition Waivers (Fixed Number)	General Waivers of Tuition; Foreign Students are Eligible	Cash Grants to Institutions for Foreign Student Scholarships	Special Provisions for Waiver
Arizona	X[1]							
California		X[2]	X[3]					
Florida	X	X						
Georgia		X						
Illinois			X[4]					
Kansas				X				
Michigan	X	X						
Missouri	X							
Nevada					X			
New York	X[5]							
North Dakota						X[6]		
Oregon							X[7]	
Texas								X[8]
Washington	X[9]							
Wisconsin						X[10]		

1. Applicable to two of three state universities.
2. State College System and the University Systems.
3. University System only.
4. One percent of the total student enrollment at the State Colleges only.
5. Two percent of total student enrollment at the SUNY System.
6. Five percent of total Fall term enrollment.
7. Equivalent to 100 scholarships per university.
8. "Good Neighbor" scholarship for Latin Americans. Preferred rate of tuition for foreign students.
9. One hundred per state institution.
10. One percent of total enrollment -- applicable only for former state colleges now part of the University System.

Source: Minnesota's Commitment to International Education, Minnesota International Center, March 1973.

the program covers 753 students, using $805,000. Of these students, 33 percent are graduate students utilizing 20 percent of the funds. Each of the seven senior institutions are allocated a portion of available funds based on their foreign student enrollment as well as on the need of an institution to recruit for a cultural mix. The awards range from $100 to a full remission of all tuition and fees.

Minnesota statutes provide that (1) institutions may grant resident status for tuition and fee purposes to foreign students after their first year in Minnesota, provided that the total number of these students shall not exceed one-half of one percent of total full-time equivalent fall term enrollment, and that they further be based on demonstrated financial need; (2) an emergency scholarship fund is available to public and private institutions eligible for the state grant-in-aid program and which have foreign students enrolled, for the purpose of enabling them to achieve and maintain a desirable cultural mix in their student populations; (3) institutions are authorized to grant resident status to foreign students who are recipients of scholarship funds contributed by Minnesota individuals, organizations or corporations in sufficient amounts to cover such resident tuition fees in the institutions concerned; (4) institutions are authorized to establish procedures which would require recipients of grants under the above programs to return to their countries upon conclusion of their education and training; and (5) an appropriation from the general fund of $80,000 for the purpose of implementing the provisions of (2) above.

The procedures established with regards to provision (4) above state that grants to foreign students are first made in the form of loans, which are forgiven if the students return home. If they elect to stay in the United States, or return within five years, they must pay back the loan.

All Texas public institutions have a separate per credit hour charge for foreign students as opposed to other nonresidents. The statute enacted in June 1975 provides that students from countries that charge less than or equal to $200 per semester for U. S. citizen students will pay $14 per credit hour at Texas institutions, or fees not to exceed $200 per semester. There are currently 92 countries that have been certified as charging less than or equal to $200 per semester by the Texas Coordinating Board. Students from countries other than those certified pay the regular nonresident rate of $40 per credit hour. Excepted from this provision are those students enrolled prior to June 1975 whose institution is authorized to charge less than $40 but not less than $14 based on the student's determined need.

Extent of Foreign Student Enrollment

As Table X on the following page indicates, there are 1,549 foreign students currently enrolled in Washington's two universities and 312 foreign students enrolled at the four state colleges*. Although no information was available as to the number paying nonresident fees or the proportion who are Vietnamese or Cambodian refugees at the community colleges, 2,663 students in the community colleges are from foreign countries.

Conclusions

As was indicated previously, the Council's general policy in evaluating waiver programs is that they should be based on need or have a substantial educational benefit of an overriding nature. Insofar as the exchange based

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*This includes 190 Canadian students enrolled at Western Washington State College.

TABLE X

FOREIGN STUDENTS ATTENDING WASHINGTON INSTITUTIONS
Fall Term 1975

	Number of Origin Countries	Total "Foreign Student" Enrollment	RCW 28B.15.013 Classified As Residents	Foreign Students Not Washington Residents	RCW 28B.10.200 University Waiver Program	RCW 28B.15.014 Employed 20 or More Hours	Paying Nonresident
University of Washington							
Undergraduate	81	997	458	539	37	108	367
Graduate	76	737	127	610	65	268	262
Professional	5	8	5	3	2	0	1
Law	1	1	0	1	0	1	0
Total	97*	1,743	590	1,153	4	377	630**
Washington State University							
Undergraduate	40	154	0	154	58	17	79
Graduate	48	242	0	242	27	117	98
Total	64*	396	0	396	85	134	177
Central Washington State College							
Undergraduate	14	25	0	25	0	0	12
Graduate	8	9	0	9	0	2	1
Total	17*	34	0	34	0	2	13
Eastern Washington State College							
Undergraduate	10	41	0	41	0	4	37
Graduate	8	11	0	11	0	4	7
Total	14*	52	0	52	0	8	44
The Evergreen State College							
Undergraduate	13	24	8	16	0	3	13
Total	13*	24	8	16	0	3	13
Western Washington State College							
Undergraduate	13	95	9	86	0	0	86
Graduate	7	125	1	124	0	0	124
Total	16*	220	10	210	0	0	210
Four-Year Public Total		2,689	637	2,052	189	524	1,297
Community College Total	***	2,663	***	***	0	***	***

*Unduplicated total.
**Does not include 42 full-time employees enrolled as part-time students (less than six hours).
***Detail not available.

Source: Nonresident Fees in Washington Public Higher Education, April 1976, Council for Postsecondary Education (Appendix F, Table F-VIII).

portion of the foreign student scholarship program is concerned, one or the other of these criteria are met.

It is difficult to support a full waiver for students already enrolled and not under some exchange program. For example, a foreign student who is awarded an assistantship and works twenty hours a week will still have to pay resident fees. His counterpart who attends the institution and qualifies for the waiver will normally pay no fees. While both universities take need into account, it is suggested that there be a more consistent policy employed which would limit awards to students already enrolled to the difference between resident and nonresident fees unless justified on the basis of documented need.

The foreign student enrollment in the state colleges is from a limited number of countries. In order to assist those institutions in increasing the opportunities for diversified cultural interchange between Washington students and those from other countries, it is appropriate to extend the concept of the scholarship program to the state colleges. To ensure that the Council's overall criteria are met, it is suggested that the awards be made through a recognized exchange organization such as the Institute for International Education.

APPENDIX A

SENATE RESOLUTION 1975-131

IN THE LEGISLATURE
of the

STATE OF WASHINGTON

1889

SENATE RESOLUTION
1975 - 131

By Senators Sandison, Goltz, Benitz, Scott, Odegaard, Donohue and Guess

WHEREAS, It is recognized that the benefits of public higher education are shared by both the individual who enrolls and society in general; and

WHEREAS, There has been considerable public debate, both within the state and nationally, concerning the portion of the cost of an individual's instruction which should be borne by the student and the state; and

WHEREAS, Tuition and fees in Washington's public universities, colleges, and community colleges, are established as detailed rate schedules within the statutes and have been adjusted in the past primarily in response to financial problems facing higher education and not in terms of a standard policy as to the share of costs which should be borne by the student; and

WHEREAS, A uniform, well understood methodology for determining the costs related to instruction of students in universities, colleges and community colleges is necessary in order to consider policies in this area;

NOW, THEREFORE, BE IT RESOLVED, That the Senate Higher Education and Ways and Means Committees shall, with the cooperation of the Council for Post-secondary Education and various public universities and state colleges, the State Board for Community College Education, the Office of Program Planning and Fiscal Management, and legislative staff, develop, test and recommend a standard method of determining the costs of higher education which relate to instruction of students, both inclusive and exclusive of related capital costs. Such methodology should contain provision for estimating per student costs for the biennium following legislative appropriations of funds for higher education institutions.

BE IT FURTHER RESOLVED, That the Council for Post-secondary Education shall survey the methods used by those states which relate student tuition and fees to higher education costs, along with the policies of those states as to the portion which is to be borne by students.

BE IT FURTHER RESOLVED, That the Council for Post-secondary Education shall make recommendations concerning the proportion of cost which should be borne by the various categories of students in Washington's public universities, state colleges and community colleges, including recommendations dealing with waivers of tuition and/or fees for various categories of individuals now set forth by statute.

BE IT FURTHER RESOLVED, The Council for Post-secondary Education shall submit a preliminary report of its findings and recommendations to the Senate Committee on Higher Education of or before November 1, 1975, and a final report by not later than January 1, 1976.

BE IT FURTHER RESOLVED, That a copy of this resolution be transmitted immediately upon adoption by the Secretary of the Senate to the House of Representatives, the Council for Post-secondary Education, State Board for Community College Education, and the Office of Program Planning and Fiscal Management.

I, Sid Snyder, Secretary of the
Senate, do hereby certify that this
is a true and correct copy of
Senate Resolution 1975-131, adopted
by the Senate, June 9, 1975.

SID SNYDER
Secretary of the Senate

APPENDIX B

SURVEY OF SYSTEMS USED BY STATES WHICH BASE TUITION AND FEE RATES ON A PROPORTION OF INSTRUCTIONAL COSTS

SURVEY OF SYSTEMS USED BY STATES WHICH BASE TUITION AND FEE RATES ON A PROPORTION OF INSTRUCTIONAL COSTS

Appendix B contains the detailed results of the survey conducted by the Council in response to Senate Resolution 1975-131. The resolution directed the Council to determine those states which relate tuition and fees to instructional costs and the policies of those states.

As a result of a review of research which had been done in this area, we were able to use the information gathered by the Virginia Council of Higher Education in October, 1974. In that survey, the Virginia Council asked each state if it set its tuition levels as a percentage of the cost of educational programs. After securing the survey results from the State of Virginia, they were combined with information already available in our office. Through this process we were able to eliminate thirty-two states. The remaining eighteen states were then surveyed by Council staff. These states were categorized as follows:

(1) Those states for which information was not clear as to whether they had a policy which related student charges to cost. These were: Arizona, Idaho, Minnesota, Maryland, Nebraska, and Rhode Island.

(2) Those states which were considering such a policy: Florida, Illinois, Michigan, New Jersey, Ohio, Oregon, Utah and Virginia.

(3) Those states where there was a definite indication that fees were set in relation to instructional costs: Colorado, Kansas, New Hampshire and Wisconsin.

As a result of the survey, we have determined that six states currently have operational systems or approaches which relate student general purpose fees (commonly called tuition) to the cost of instruction. These states (Colorado, Florida, Kansas, New Hampshire, Oregon and Wisconsin) were also contacted in person or by telephone.

The summary that follows provides a state-by-state review of the practices and approaches used in the establishment of tuition and fees in the six states.

Colorado System of Calculating Tuition and Fees

The approach to tuition charges in Colorado seems to be functioning well and with a minimum of controversy. The methodology used sets tuition for the current academic year at a percentage of the estimated total "Education and General" expenditures for the previous fiscal year.

The tuition policies in effect in Colorado were established by the legislature several years ago. Colorado resident tuition rates are set at 25 percent of cost while nonresidents pay 100 percent of cost at the four-year institutions. For resident students in the two-year sector, tuition is 20 percent of costs on a weighted average basis for the two-year state institutions as a whole. In the four-year sector, resident tuition is based upon the cost of each institution individually. For nonresidents the cost base in all institutions (two-year and four-year) is that for each individual institution. Some relatively small exceptions have been approved by the legislature: at the community colleges in the southern part of the state, nonresident tuition has been reduced to 65 percent of cost; resident and nonresident tuition at the Colorado School of Mines has been based on Boulder tuition. Tuitions at the School of Medicine and the C.S.U. School of Veterinary Medicine are established at 12.5 percent of the direct costs for residents and 50 percent of the direct costs for nonresidents. Tuitions at the School of Nursing are 25 percent of the direct costs for residents and 100 percent for nonresidents. The tuition for the Dental School is 100 percent of direct costs with 87.5 percent waived for resident students who agree to practice after graduation in an area of the state determined by the Regents to be in need of dentists.

Colorado tuition and fees are divided into two segments, "tuition" and "student fees". The percentage factors determine the former while the latter vary among the institutions. Tuition is analogous to Washington's operating fee and student fees are similar to our services and activities fee. In contrast to the State of Washington, no student fees are dedicated to construction or bond redemption.

Although the basic concept of setting tuition rates as a percentage of educational costs within the institutions is not an issue, the mechanics and procedures used are currently under review. For instance, only the community colleges have a standard tuition charge based on composite instructional costs. All the four-year institutions have differing tuition rates based on their individual expenditure patterns. A question exists as to whether the composite approach should be used for groups of four-year institutions. There is also concern as to the varying levels of student fees charged at the institutions. Each institution has complete autonomy in setting student fees and consequently there are wide disparities among institutions.

The Colorado Commission on Higher Education is also studying a number of policy modifications including: a surcharge for students enrolling for more than 18 credits; standardization of the definition of a full-time student for fee purposes; and modifying the cost base or increasing the percentage to be paid by students. Overall fiscal problems were cited as the reasons for the review.

The cost base used by Colorado is an estimate of expenditures for the year prior to the year in which the tuition rates will be in effect. Included are all state supported activities other than Extension and Public Service. Recovery of indirect costs related to research is deducted. No facilities use cost (amortization) is included other than on-going maintenance. The cost base is reviewed with the Joint Budget Committee (JBC) of the legislature prior to establishing the specific rates.

The process was prescribed by the JBC and appears to be well understood by its members. No change (other than possible procedural modifications) is anticipated. The percentage factors used by Colorado are not based on any analysis of relative benefits to the student and the state. When established, the 25 percent factor produced a tuition which the legislature felt was comparable to rates in states with which they compare.

Florida System of Calculating Tuition and Fees

In Florida, postsecondary education is made up of two distinct groups. The community college system has 28 autonomous districts each with its own governing board. The related state agency has only a coordinating role. The public four-year institutions (state university system), on the other hand, have a single governing board.

The student fee structure for the four-year institutions is considerably more complex than implied in the summary provided in the January 1976 staff report. After Florida officials had ample opportunity to review, comment and provide Council staff with supplemental data, it became clear that their fee structure actually consisted of four components containing seven fee categories. A "Matriculation Fee" is analogous to Washington's "Operating Fee". Their "Building Fee" and "Capital Improvement Trust Fund Fee" taken together are similar to Washington's "Tuition" category. (In contrast to the other states surveyed, Florida does dedicate a portion of their student fees to capital construction and/or bond redemption.) Florida's "Activity and Service Fee" is analogous to Washington's "Services and Activities Fee". In addition, however, Florida has a "Student Financial Aid Fee", a "General Student Aid Fee" and a "Student Financial Aid Trust Fund Fee" which have no counterpart in the Washington fee structure.

The current policy of relating tuition and fee charges to instructional costs in the public four-year institutions was developed and proposed to the Florida legislature by the Board of Regents during the 1975 legislative session. Executive and legislative revenue estimates for the state university system for the current fiscal year were based on the criteria as presented by the Board. Community college student fee rates, however, continue to be set locally within the state guideline which allows for a range of $8.00 to $12.00 per quarter hour.

Florida student fee rates are based on a charge for each credit hour. The determination of instructional costs is also based on a per student credit hour cost. The state university system uses the budgeted student credit hours related to each student level and the corresponding appropriated dollars for the prior fiscal year to calculate instruction costs. These costs serve as the base in determining the student fee charges for the current year. Stated another way, the student fee charges for the current academic year (1975-76) are based on the 1974-75 appropriation.

(Historical costing data are used to apportion credit hours and dollars to the various student levels.)

The state university system approach distinguishes between resident and nonresident students and identifies five separate student levels: (1) lower division undergraduate, (2) upper division undergraduate, (3) graduate level exclusive of thesis/dissertation, (4) graduate level thesis/dissertation, and (5) professional. Total resident student fees are to equal 30 percent of the instructional costs applicable to each of the student levels identified and nonresident students are to pay 100 percent of these costs, with the proviso that state support for lower division students not be greater than that for community college students.

The state university system approach contains three significant provisions. The first provision calls for a phase-in period to reach the desired percentage levels for resident and nonresident students respectively. The second provision calls for equal funding from the state for lower division undergraduate student credit hours in both the state university system and in the community college system. Since the costs for lower division instruction in the state university system are currently higher than in the community college system, the students attending any of the state universities must pay the difference. The third provision limits the tuition increase in any given year to not more than 30 percent of the previous year's base. Consequently, these provisions will make it difficult during the next few years for the Florida state university system to reach the specified student fee levels in certain categories (e.g., professional).

The effect of these policies is that the proportion of full instructional costs paid by the fees analogous to Washington's tuition and operating fee will be approximately 25 percent at the undergraduate level and 27.5 percent at the graduate level after a full phase-in. By 1977-78 (the third year of the initial phase-in period) the total of the "Matriculation Fee", "Building Fee" and "Capital Improvement Trust Fund Fee" paid by a lower division resident student in the state university system will approximate 30 percent of his or her instructional costs. As the following table indicates, the total of these fees paid by an upper division student and a graduate student are expected to approximate 24 and 27.5 percent respectively by 1977-78.

TABLE B-I

FLORIDA
STUDENT FEE PERCENTAGES AS
A COST OF INSTRUCTION
ESTIMATED FOR 1977-78

Description	All Fees Included	Matriculation Fee Plus Building Fee Plus Capital Improvement Trust Fund Fees
Resident Students		
Lower Division	37%	30%
Upper Division	30%	24%
Graduate	30%	27%
Graduate With Thesis	30%	28%
Professional	*	*
Nonresident Students		
Lower Division	100%	92%
Upper Division	100%	94%
Graduate	100%	97%
Graduate With Thesis	100%	97%
Professional	*	*

*Not available -- however, the respective percentages are less than 30 and 100 percent.

Kansas System of Calculating Tuition and Fees

The approach used by the Kansas Board of Regents to establish tuition* and fees is substantially different from that of the other states reviewed in the report.

Individual rates are not set as a percentage of instructional costs. The total revenue to be generated from tuition is derived from estimated "educational costs". Revenue is expected to approximate 25 percent of costs related to instruction.

Another difference is the time cycle used in establishing tuition levels. Adjustments are made every four years based on projected expenditure levels for the next four years. The portion of the budget supported by tuition is therefore greater than 25 percent in the first two years and lower in the second two years.

Kansas tuition and fees are divided into two main categories: Tuition (or General Fees) and Restricted Fees. Tuition is set by the regents with a standard amount for the three universities and a lower amount for the three colleges. Restricted fees vary by institution. In February, 1974, the university tuition produced revenue equal to 27.6 percent of related costs while college tuition generated revenue equal to 20.8 percent. Due to larger enrollments at the universities, the composite proportion borne by student fees was 26 percent.

It should also be noted that the revenue from nonresident tuition (2.5 to 3 times higher than resident charges) counts toward the 25 percent objective so that the proportion borne by resident students is less than

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*Called "General Fees" in the State of Kansas. The term "tuition" is used in this summary for consistency with the other states.

25 percent. There is no graduate differential fee at Kansas institutions.

The cost base which is estimated consists of educational and general costs less organized research, extension services and capital improvements. No depreciation cost is included in the base. It also excludes any other part of the budget which is funded from restricted fees.

Kansas officials indicate satisfaction with their present system and have no plans to modify the proportion or the basis of "cost". The 25 percent factor was not based on any study of relative benefits but represents a level similar to other states used for comparisons.

New Hampshire System of Calculating Tuition and Fees

New Hampshire has a unique system in several ways: First, it has a very small public higher education system, i.e., the University of New Hampshire system has only three four-year institutions (no two-year) with an enrollment of approximately 16,500 students; second, there are no professional schools in the system, and finally, there is no differential charge between undergraduate and graduate students. Current resident tuition at the University of New Hampshire-Durham, as reported by the State University of New Hampshire System Office, is $900 and nonresident tuition is $2,600. An additional $93.00 required fees is charged of all full-time students.

New Hampshire tuition and fees are divided into two segments, "tuition" and "student fees". Tuition is analogous to Washington's operating fee and student fees are similar to our services and activities fee. In contrast to the State of Washington, no student fees are dedicated to construction or bond redemption.

The cost of instruction figures used are estimates of those costs for the preceding fiscal year. In other words, the tuition charges for academic year 1975-76 are based on the expenditure patterns for fiscal year 1975 (the 1974-75 academic year). In calculating the cost of instruction, all education and general expense items are included. In addition, any state funds that are expended for extension, public service and organized research are included in the overall cost of instruction.

Telephone contact with the New Hampshire Postsecondary Education Commission in October, 1975 indicated that a policy existed to set resident fees at fifty percent of instructional costs. A draft copy of the survey report was sent in November to the New Hampshire Commission asking them to advise the Council if substantial errors existed in the report. No response was received and the information was incorporated in subsequent reports. We are now advised that the policy only applies to nonresident students whose tuition is set at 100 percent of costs. Resident tuition is set at the discretion of the Board of Trustees.

Oregon System of Calculating Tuition and Fees

The approach used by the State of Oregon to calculate tuition and fees for the four-year colleges and universities comprising the State's Department of Higher Education is less formal than that of either Colorado or Wisconsin. Tuition is established by the State Board of Higher Education based on an objective of resident undergraduates paying approximately 25 percent of the cost of instruction and nonresident undergraduates paying full instructional costs. Graduate students, both residents and nonresidents, pay 20 percent of graduate instruction costs. 1975-76 resident undergraduate tuition is expected to be slightly in excess of the 25 percent objective.

Tuition in Oregon's community colleges is set by local boards in accordance with a general state policy guideline. It is assumed that tuition will provide 20 percent of total support with 50 percent to be provided by the state and 30 percent from local property.

Tuition and fees in Oregon's colleges and universities are divided into three segments: tuition, building fee and incidental and health fees. Tuition is analogous to Washington's operating fee, the building fee is similar to Washington's "tuition" (although at $12.50 per quarter it is substantially less) and the incidental fees relate to our services and activities fees. The building fee is a maximum set by statute while the incidental fees vary among the institutions within a range approved by the State Board.

A single resident undergraduate tuition rate is established for all institutions other than the Oregon Institute of Technology (OIT). The rate is based on the composite budgets of all the institutions divided by weighted full-time equivalent enrollment. Lower division students are weighted 1.0, upper division students 1.25, and graduate students at 2.0. The cost base includes all education and general activities exclusive of summer session, extension and research. Indirect cost reimbursement is deducted to reflect support costs related to research. Also excluded from the base are the cost of centralized activities and estimated depreciation.

Exceptions to the above practice are: (1) nonresident tuition at the three state colleges which are less than 100 percent of cost to broaden the student body at those campuses; (2) tuition at the Medical and Dental Schools which is based on historical rates adjusted upward by the percentage increase in fees at the other institutions; and (3) OIT, where the costs of that institution are used as the base. From discussions with officials of the State Board, it appears that the approach has been satisfactory in dealing with the Governor and the legislature. The Joint Ways and Means Committee has not gone into great detail in the calculation process. They are, however, aware of the shared cost aspect when considering appropriation levels.

It is evident that there was no philosophic basis for the 25 percent objective. There has been no attempt to determine relative benefits. Rather, the 25 percent reflects an historical pattern which has become more formalized in dealing with budgetary matters.

Wisconsin System of Calculating Tuition and Fees

The approach to tuition and fee charges in Wisconsin appears to have made routine adjustments in student charges a "non-issue" insofar as the university system and the legislature is concerned. The approach has evolved since 1960 and now is based on resident undergraduates paying 25 percent of average undergraduate costs per student; resident graduates, 21-22 percent* of graduate costs; nonresident undergraduates, 100 percent;

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*Increased in 1975-76 as a result of budget recommendations by the Governor that graduate fees be increased to 25 percent. The fee increase was not, however, specified by the legislature although the general fund reduction was not restored.

and nonresident graduates, 70 percent of cost. "Cost" is the result of calculations applied to the budget for the year to which the tuition will apply.

Wisconsin tuition and fees are divided into two segments, "academic fee/tuition"* (hereafter referred to as tuition) and "segregated fees". The percentage factors determine the former while the latter vary among the campuses. Tuition is analogous to Washington's operating fee and segregated fees are similar to our services and activities fee. Unlike the State of Washington, no student fees are dedicated to construction or bond redemption of academic buildings.

Two resident undergraduate tuition rates are established through the system; one for the "doctoral cluster", the Madison and Milwaukee campuses, and the second for the "university cluster" (the former state colleges as well as Green Bay and Parkside, which were originally administered by the University of Wisconsin at Madison.) The rates are based on the composite budgets for the two clusters (not individual campuses) as adjusted by "cost" ratios determined in the previous year. Central administration for the system is included as well as a facilities depreciation factor based on a 50 year useful life of facilities. In the case of Madison and Milwaukee, a "teaching assistant tuition remission" cost is also included. The procedures are clearly set forth in manuals available for executive and legislative review.

The Wisconsin approach is noteworthy in that it is the only tuition relationship system based on an apportionment of costs. In other words, supporting costs such as administration are distributed between instruction and research. The system is based on a projected fall term enrollment and ratios developed from previous fall faculty effort analysis. Summer and extension costs are excluded. The approach therefore derives student tuitions which are related only to instructional and instructional support costs.

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*The term "academic fee" applies to resident students while the term "tuition" applies to nonresident students.

The legislative staff interviewed appeared to be comfortable with the system. Staff of the Joint Finance Committee have reviewed the procedures in detail and expressed no concerns with the calculations. The members of the committee appear to rely on the staff to understand the details of the system and to cost out proposed budget alternatives in terms of student fee impact. The possible concern of disproportionate reductions to a program which supports both organized research and instruction without recognizing that a portion of the program is not included in the instructional cost base has apparently not surfaced.

During 1975, the Governor proposed percentage increases for graduate and medical students which were partially implemented. The Regents' proposal for a fifty percent undergraduate resident fee reduction (reducing the 25 percent to 12.5 percent) was not entertained by either the Governor or the legislature.

The 25 percent factor is not referenced in the statutes except in the case of academic programs offered in three of the area vocational schools. These schools are financed in part from property taxes so the legislature felt it necessary to reference the rate in law. The 25 percent is, effective in 1975, also applied to adult general vocational (non-degree or certificate) programs while a 7 percent factor is applied to associate degree programs. All of these factors are applied to statewide average costs in the vocational system.

It was clear, in reviewing the system with both the university and legislative staff, that there is no philosophical basis for the 25 percent share to be borne by students. No analysis of relative benefits to students or the state was attempted. The only adjustments have been in response to revenue requirements and the original amounts related to historical practice and to comparisons with other "Big 10" states.

Observations Concerning the Wisconsin System

-- The depreciation is based on the original cost of the instructional and academic support facilities.

-- All "unrestricted" student service costs are included in the cost base.

-- Hospital and auxiliary enterprise expenses are discounted 50 percent in the allocation of administration.

-- Hospital costs are not included in medicine instruction cost.

-- No differentials based on instructional discipline (other than medicine) exist.

-- An upper division differential was mandated by the legislature for 1974-75 but the mandate was not continued. The most telling argument against the differential was the financial aid policy which directs aid toward the first two years of school.

-- The majority of lab and course fees have been or are being eliminated under the student share concept, both in the university system and the area vocational schools. The guidelines are similar to those in the Council's draft policy recommendation.

APPENDIX C

RESULTS OF EXTENDED SURVEY OF TUITION POLICIES IN THE STATES OF CALIFORNIA, ILLINOIS, INDIANA, MICHIGAN AND MINNESOTA

RESULTS OF EXTENDED SURVEY OF TUITION POLICIES IN THE STATE OF CALIFORNIA, ILLINOIS, INDIANA, MICHIGAN AND MINNESOTA

The summaries that follow are based on data received from the individual states, phone interviews and research recently completed by the State of Illinois.

Since California and Michigan are also "pace-setter" states for the community college system, a rather detailed description of practices in those states has also been included.

CALIFORNIA

Resident Tuition Policy

The Board of Regents of the University of California does not charge tuition to resident students. However, there is a $300 University Registration Fee and $300 Educational Fee per year for undergraduates which is used to support university operations. At the graduate level, students pay the same University Registration Fee, but pay an Education Fee of $360 per year. Since both tuition charges in other states and the fees which the Board of Regents of the University of California levies on students are used to support university operations, both charges appear to be comparable. University of California officials report that fees are increased from time to time due to inflation, the need to maintain program quality, and to compare with other institutions of similar size and programmatic scope. Fees currently in effect for undergraduate and graduate students at the University of California campuses are as follows: Undergraduate, $600; and Graduate, $660.

Nonresident Tuition Policy:

The rules and regulations governing the Board of Regents of the University of California state that the amount of the nonresident tuition fee shall be fixed by the President with the concurrence of the Board of Regents. Nonresident students currently pay approximately three times the amount that resident students pay. Nonresident tuition rates currently in effect at the University of California are as follows: Undergraduate, $2,100; Graduate, $2,160; and Law, $3,240.

Community Colleges:

California community colleges charge no tuition to in-district residents. Many colleges charge nominal student activities fees which vary among districts. In California, the state pays a minimum basic aid charge of $125 per student regardless of what district he attends. Regarding out-of-district students, their county of residence is billed by their county of attendance for tuition charges above the state basic aid. These charges vary with an average of $350. In an attempt to equalize enrollments, some students are denied this payment by their county of residence. When this is the case, the student would then be required to pay the out-of-district tuition and fees. Nonresident tuition varies but often approximates total instructional costs.

ILLINOIS

The current undergraduate resident tuition rates and their percentage of total 1972-73 instructional costs for the four-year institutions were as follows:

	Tuition Rate	Percent of Instructional Cost
Board of Governors	$420	27.3
Board of Regents	$404	25.9
Southern Illinois University	$429	25.8
University of Illinois	$496	31.2

It should be noted that the tuition rates have not changed since 1972-73; whereas, there have been considerable increases in the instructional costs. The current percentages are therefore lower than those listed above.

The State of Illinois Board of Higher Education has recommended that resident undergraduate tuition be set at 33.3 percent of the instructional costs as determined in Illinois' annual Unit Cost Study.

Tuition policies (resident and nonresident) in California and Indiana universities are summarized from a document by the State of Illinois Board of Higher Education entitled: "Master Plan -- Phase IV Tuition and Other Student Costs: A Supporting Document". California community college information is from a telephone inquiry to the State of California.

INDIANA

Resident Tuition Policy:

The University of Indiana and other systems have no set tuition policy. Rates are established at the direction of each governing board with little interference from the legislature. Current tuition rates at various Indiana institutions are as follows:

	Undergraduate	Graduate
University of Indiana	722	744
Indiana State University	720	576
Ball State University	630	678

Nonresident Tuition Policy:

The University of Indiana and governing boards of other systems have no set tuition policy regarding nonresident students. Rates are established at the direction of each governing board at a level approximately twice the charge for resident students. Current tuition rates for nonresident undergraduate students at various Indiana institutions are as follows:

University of Indiana	$1,560
Purdue University	$1,600
Ball State University	$1,260

MICHIGAN

Baccalaureate Institutions

In May, 1975, the State Board of Education in Michigan completed a detailed analysis of the financing of public baccalaureate institutions for the years 1965-1974. Their report, entitled "Financing of Public Baccalaureate Institutions in Michigan: A State Report Analyzing Trends from 1965-1974" contained the following finding:

> Extremely significant is the fact that over the ten year period 1965-1974 student tuition and fees as a source of institutional revenue has increased significantly -- from a low of 16.9% in 1965-1966 to a high of 22% in 1973-1974 statewide.

The accompanying table provides the percentages for each of the baccalaureate institutions in Michigan by year.

Michigan Community Colleges

In 1975-76 students will be expected to "provide" 24 percent of the revenue needed for the 1975-76 fiscal year. In-district tuition has been set at $341. The community college tuition rates are set by the legislature, and up until this year the student tuition was expected to account for 33.3 percent of the total educational costs. The tuition charges at the community colleges in Michigan have been reduced to reflect percentage patterns similar to those found in the four-year institutions. The resident in-district charge of $341 is approximately 22 percent of an estimated cost

TABLE C-I

BACCALAUREATE INSTITUTIONS' STUDENT TUITION AND FEES AS A PERCENTAGE OF TOTAL EDUCATION AND GENERAL REVENUES

1965-74 (%)

	1965-1966	1966-1967	1967-1968	1968-1969	1969-1970	1970-1971	1971-1972	1972-1973	1973-1974
CENTRAL MICHIGAN UNIV	30.8	25.2	34.3	34.1	32.6	33.4	33.4	32.1	32.0
EASTERN MICH. UNIVERSITY	24.5	29.3	31.7	33.7	33.0	31.3	33.1	31.3	28.3
FERRIS STATE COLLEGE	26.8	25.3	25.3	24.0	21.5	22.7	26.8	23.9	22.1
GRAND VALLEY STATE COLL	14.9	14.4	23.9	25.3	24.5	28.2	26.3	27.1	26.1
LAKE SUPERIOR STATE COLL	25.5	19.4	25.8	27.3	26.7	21.0	22.4	22.1	20.7
MICHIGAN STATE UNIVERSITY	16.8	17.2	19.7	20.6	22.1	21.1	21.3	20.3	20.3
MICHIGAN TECH UNIVERSITY	13.4	15.6	19.0	22.0	22.5	25.4	24.1	22.4	20.4
NORTHERN MICHIGAN UNIV	35.7	20.7	24.7	24.8	29.9	28.6	25.9	26.4	23.1
OAKLAND STATE UNIVERSITY	16.6	17.3	23.0	27.9	28.7	29.6	22.7	22.3	24.1
SAGINAW VALLEY STATE COLL	NA	0.9	11.6	19.0	19.6	21.4	20.6	21.6	21.0
UNIV OF MICH - ANN ARBOR	12.3	11.5	14.8	15.7	15.4	17.2	18.7	17.4	20.1
UNIV OF MICH -DEARBORN	----	----	----	15.4	17.7	18.5	21.9	21.9	24.8
UNIV OF MICH - FLINT	----	----	----	26.8	27.1	30.2	27.7	24.9	21.7
WAYNE STATE UNIVERSITY	18.4	16.1	20.0	20.1	23.7	24.2	23.3	22.9	20.6
WESTERN MICHIGAN UNIV	27.4	22.5	29.0	31.6	32.7	30.0	31.7	27.4	26.3
TOTAL	16.9	16.1	19.7	20.9	21.9	22.5	23.0	21.8	22.0

SOURCE: Financing of Public Baccalaureate Institutions in Michigan: A State Report Analyzing Trends from 1965-1974.

per student. The newly adopted tuition schedule includes a rate of $511.50 for resident out-of-district students which is expected to raise the revenue to the 24 percent objective.

MINNESOTA

The universities, state colleges and community colleges in Minnesota have no set tuition policy for either resident or nonresident students. However, historical revenues from tuition income have approximated 25 percent of the total dollars needed in each of the systems according to the Minnesota Commission on Higher Education.

The Minnesota Commission is currently recommending that tuition charges equal 30 percent of the estimated cost of instruction for the current fiscal year.

APPENDIX D

CALCULATION OF CAPITAL COST PER STUDENT

CALCULATION OF CAPITAL COST PER STUDENT

The method used to calculate the estimated capital cost per FTE student was as follows:

Calculation

(1) Exclude:

  (A) Auxiliary facilities (e.g., dormitories, and other student housing, dining halls, student unions, book stores, etc.)

  (B) Facilities wholly devoted to intercollegiate athletics.

  (C) Facilities wholly devoted to research or public services purposes.

(2) Determine the original cost of construction, remodeling, renovation and additions of all facilities not excluded in (1) above using the same data as used in the building maintenance portion of the plant operation and maintenance formula.

(3) Multiply the total original cost by .02 to equal an annual cost assuming a fifty year life.

(4) Divide the result of step 3 by the three term average annual enrollment to equal the capital depreciation cost per student.

Because the method of calculating student capital costs required judgements about excluding certain facilities, the four-year institutions and community college system were asked to calculate a capital cost per FTE student. Each responded to the request in a timely manner and provided the following data.

Institution	Original Cost Related To Instruction	Annual Cost (50 years)	1974-75 FTE AA Enrollment	Cost Per FTE Student
U of W	$142,512,893	$2,850,257	30,618	$ 93.09
WSU	98,406,566	1,968,131	15,817	124.43
TESC	30,759,271	415,185	2,279	182.17
CWSC	28,811,017	576,220	6,173	93.33
WWSC	36,046,439	720,928	8,493	84.88
EWSC	28,907,686	578,154	6,694	86.37
CC System	165,487,000	3,309,740	75,967*	43.56

*1975-76 discounted enrollment projected by the Office of Program Planning and Fiscal Management.

Several concerns were raised by the institutions and community college systen about calculating capital costs per student. A summary of those concerns follows:

(A) All instructional buildings do not have a useful life of 50 years (e.g., field service facilities at WSU and relocatable facilities of the community college system).

(B) Original cost of buildings does not reflect current capital costs.

(C) Accurate exclusion of research and public service space would require a highly detailed inventory system which would need frequent up-dating.

(D) Definition of capital cost would need to be very specific. For example, should capital cost include equipment?

APPENDIX E

DISCUSSION OF ALTERNATIVES FOR THE BASE PERIOD TO BE USED TO CALCULATE EDUCATIONAL COSTS

DISCUSSION OF ALTERNATIVES FOR THE BASE PERIOD TO BE USED TO CALCULATE EDUCATIONAL COSTS

Tuition and fees must be established before the start of fall term, preferably by May for preregistration and financial aid "packaging". For budget purposes, the revenue to be generated by tuition and fees should be known by the Governor for his budget and by the legislature for their budget review. This means that either the rates must be established by November of the previous year or that relationships to budgeted programs must be established for use in the budget process.

There are several alternatives available that would accomplish these objectives. In order to ensure a thorough understanding of the alternatives, reference to the following chart will be helpful.

A	B	C	D	E
Year 2 -- Previous Biennium (1974-75)	Year 1 -- Current Biennium (1975-76)	Year 2 -- Current Biennium (1976-77)	Year 1 -- Ensuing Biennium (1977-78)	Year 2 -- Ensuing Biennium (1978-79)

3 2 1

1 = August of Year D (August, 1977)
2 = May of Year C (May, 1977)
3 = November of Year C (November, 1976)

Alternative 1

Base the tuition and fees for the next year (D) or biennium (D + E) on the most recent actual cost data (Year A). This would allow use of actual data and ratios developed from the Council's unit expenditure study which is currently conducted once each two years. Existing data systems do not support routine production of the data by November of the following year (completion of the 1974-75 study is scheduled for July, 1976). The disadvantage, of course, is the extensive time lag between year A and years D and E.

Alternative 2

Base the rates for years D or D and E on estimates for the current biennium (B and C) based on the most recent cost analysis and improve the institutional data bases to allow compatible cost data to be developed and reported for year B prior to November of year C.

By the fall of year C it is possible to estimate the enrollment and expenditure pattern for that year. The actual enrollment and expenditure data for year B would also be known. Until such time as data systems are improved, the cost study for year A could be used to provide ratios and cost pattern data for estimating purposes. Current or prior year data are used as the cost base by three of the six states (Colorado, Florida and New Hampshire). This approach also has the advantage (or disadvantage depending on one's point of view) of having rates known in advance which would not be affected by budget decisions in the next legislative session.

Alternative 3

Determine the ratio that each budgeted program contributes to "instructional cost" through the use of the most recent cost study, multiply that ratio by the percentage of revenue to be produced by students and use the derived percentages to relate tuition and fee income for years D and E to budgeted expenditures for those years. Actual rates would be set after the budget was adopted although estimates would be available by May of year C.

This is an extremely complex approach which uses the most recent cost study as the basis for ratios and factors and applies those factors to the various programs, e.g., Plant Operation and Maintenance. The portion of general operating revenue to be produced by fees could be computed based on past experience with proportional tuition and fee rates or (as in the case of Kansas) by simply setting a percentage revenue objective. This portion (let us assume 25 percent) would be applied to the program's contribution to instruction (assume that 80 percent of physical plant expenses support instruction) to derive an income percentage (.25 x .8 = .20) which would be used in budgeting.

Although this method would be cost study based and current, it is likely that it would be confusing. It also requires some central fee setting authority (as in Kansas and Nebraska where variations of this approach are used) to set rates for the universities and the colleges and determine the differentials for graduate and professional students. The timing of the actual rate calculations would also be a problem.

Alternative 4

Use cost study information only to determine cost ratios for the various fee categories. Apply either a revenue or rate percentage to a predetermined portion of the budget (e.g., education and general expenditures less research) and use the approach to compute rates or income for years D and E based on the budget.

Although much simpler than Alternative 3, it is likely that the approach will be imprecise among institutions and can lead to claims of inequity. The timing problems are similar to Alternative 3 although the calculations would be more simple. An approach similar to this is used by Oregon and rates for year D (for example) are usually set by their central governing board in July or August of that year.

A variety of other alternatives, usually combinations of aspects of the above approaches are possible. The key questions are: Should the rates reflect current budget decisions or the previous spending level? To what extent should cost analysis be used? If rates are to be standard among types of institutions and a system based on future budgets is used, who should set the rates? Although the staff is open to (and welcomes) other approaches, we currently feel that Alternative 2, when the entire current biennium is used, has the most merits.

APPENDIX F

NONRESIDENT FEES IN WASHINGTON PUBLIC HIGHER EDUCATION

NONRESIDENT FEES IN
WASHINGTON PUBLIC HIGHER EDUCATION

Council for Postsecondary Education

April 1976

NONRESIDENT FEES IN WASHINGTON PUBLIC HIGHER EDUCATION

Background

At its March, 1976 meeting, the Council for Postsecondary Education heard staff recommendations dealing with tuition and fee policies and procedures in response to Senate Resolution 1975-131. The Council took action on all but two of the proposals: recommendations concerning policies for nonresident fees and the foreign student waiver program, indicating that they desired more information on each subject. This report deals with the former question (although foreign student considerations are discussed since the majority of these individuals pay nonresident fees).

The Council staff based its original recommendation on previously expressed policy statements of the Council that the state had no obligation to provide tax support for the educational costs of nonresidents. The staff recommended that the tuition and operating fees of nonresident students be related to one hundred percent of total educational costs. As part of the presentation to the Committee on Administration and Finance, the staff indicated that the Planning and Policy Recommendations called for development of specific reciprocity programs and urged that the tuition and fee guideline be phased in over a three year period (i.e., full implementation in Fall, 1979).

After an extensive discussion, the committee voted to recommend that the Council support a ninety percent of educational cost guideline for undergraduate students. The modified recommendation was intended to recognize that all persons in the state pay some taxes and that nonresident enrollments add to the diversity of the public institutions' enrollment with some benefit to Washington residents. As indicated, the full Council did not adopt the committee's recommendation but requested additional information and further study of alternatives.

Introduction to the Discussion

Two factors have substantially added to the complexity of the question of residency: the reduction of the age of majority (for most purposes) to eighteen, and the increasing number of older age students in public institutions of higher education. Residency laws (for tuition and fee purposes) have been modified in nearly all states to conform with court decisions or to reflect the practical realities of an adult, mobile population.

The essence of Washington's residency statute (RCW 28B.15.012 - .013, see Appendix 1) is that it allows the individual to demonstrate that he or she has in fact established domicile in the State of Washington even though the individual's first extended period in the state coincided with attendance at an institution of higher education. Procedures and forms have been developed to enable a student to be reclassified from nonresident to resident status for fee purposes (see Appendix 1 for an example of forms used). As Table VI on page 20 indicates, a substantial number of students are reclassified each year.

Another feature of the residency laws is that if a student falls into certain categories, he or she is automatically a resident for fee purposes. These categories are:

(1) Any person who is employed not less than twenty hours per week at an institution, and the children and spouses of such persons.

(2) Military personnel and federal employees residing or stationed in the state of Washington, and the children and spouses of such military personnel and federal employees.

(3) All veterans whose final permanent duty station was in the state of Washington so long as such veteran is receiving federal vocational or educational benefits conferred by virtue of his military service.

Foreign students on temporary visas are not able to establish domicile. This is possible only when the student meets the criteria for permanent residence in the United States set by the Immigration and Naturalization Act.

It is within the above context that the staff has reviewed the question of nonresident tuition and fee policies. Additional information has been collected from institutions (on relatively short notice) and other information sources have been used to address several of the subsidiary arguments in this overall area. In this report we will attempt to isolate these arguments, discuss them and report our findings and recommendations. The following section briefly summarizes (and in some ways overstates) the major issues and opposing points of view.

The Dimensions of the Argument

(1) Cultural Mix

(A) Nonresident students are essential to avoid parochialism and to enrich the educational experiences of residents through an improved cultural mix.

(B) While there might be some validity in this argument for foreign students, modern media is homogenizing America and virtually eliminating cultural differences. Besides, most nonresidents are from nearby states.

(2) Tax Support

(A) The tax funds of Washington are stretched now. We should not be subsidizing those who come to the state for their higher education.

(B) All people in this state (including students) pay taxes. The money brought into this state by nonresident students stimulates the economy and produces more tax revenue. In addition, how can a person who moved here a year ago be distinguished from the student who just arrived?

(3) Availability of Spaces

(A) There are sufficient spaces available to accommodate nonresidents. In fact, the enrollment in some institutions is stable or declining and some schools have surplus dormitory space.

(B) While some schools have room, enrollment ceilings exist in others and many programs are filled to capacity. Why should a qualified Washington resident be denied a place in favor of someone from Oregon or California?

(4) Competition with the Private Institutions

(A) We need to take whatever steps we can to preserve or strengthen the private sector. Nonresident students are drawn from the same income levels as private school students and subsidizing their public education is unfair competition.

(B) The financial health of the private sector should be addressed directly; not through establishing "tariff barriers". Besides, it cannot be demonstrated that there is a substantial trade-off between public and private nonresident enrollment.

(5) Availability of Reclassification

(A) It has been said that, "anyone who is a sophomore and pays nonresident fees needs counseling". Our residency law is only really effective for one year and the nonresident should pay the full cost, at least for that year.

(B) Not all students get reclassified. State policy should not be based on what some students can do, when other students, particularly foreign students, cannot be reclassified.

In the following section, these points of view will be discussed, along with information on the policies of other states and reciprocity options.

Cultural Mix

Drawing on a recent national study, the following is a general profile of the nonresident student:

-- Better-than-average ACT Composite Scores,

-- Educational expectations at or beyond a bachelor's degree,

-- A rural or suburban home community,

-- A moderate-to-high income family,

-- No plans to work part-time,

-- Little importance placed on low cost as influencing their choice of college,

-- Greater influence placed on such factors as national reputation and special curriculum.[1]

The staff had planned to use data from the 1971 Student Resource Survey to acquire a financial profile of nonresident students in Washington. This proved to be impractical due to the condition of the data and the costs involved.

The best available data on the source of Washington nonresident students is the fall 1975 Higher Education General Information Survey (HEGIS) on Residence and Migration which captured the number of students by state of last school attended. This is not a clear picture of actual nonresident students since by definition it also includes:

(1) Washington residents whose last school attended was out-of-state, with undetermined intervening years since last attending any school.

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[1] Robert H. Fenske, Craig S. Scott, and James F. Carmody, "Recent Trends in Studies of Student Migration". Journal of Higher Education, Volume XLV, Number 1, January 1974, page 73.

(2) Washington students who migrated to out-of-state institutions and have now returned to continue their education in a Washington institution.

Tables F-I, F-II and F-III are summaries of the HEGIS data.

At the undergraduate level, 56.9 percent of the students migrating to Washington came from the eleven Western states; with the greatest percentage (24.2%) from California. At the graduate level, 37.4 percent came from the Western states with California again the greatest single source with 19.2 percent.

Washington State University and Eastern Washington State College are both receiver institutions of Idaho students at the undergraduate and graduate levels, with University of Washington and The Evergreen State College predominant in the receipt of Oregon undergraduates. The source of nonresident population of Western Washington State College is geographically balanced. Table F-I indicates a similarity between public and private four-year institutions in terms of the proportion of nonresidents from California, Idaho and Oregon.

At the two universities, which draw 71.2 percent of the four-year undergraduates and 97.9 percent of the graduate students, the influx of graduate students from states outside the West is significantly higher (63.1%) than at the undergraduate level (40.3%). Central Washington State College and the community colleges did not complete the Residence and Migration Survey.

Indications of the flow of students from Washington to Oregon and Idaho were obtained from the HEGIS Residence and Migration reports submitted by institutions in the respective states. The states were unable to provide data on community college enrollments, however, university and state college information was available. Again, it should be noted

TABLE F-I

UNDERGRADUATE STUDENTS AT PUBLIC AND PRIVATE FOUR-YEAR INSTITUTIONS WHOSE LAST SCHOOL ATTENDED WAS IN ANOTHER STATE*

(Excluding Foreign Students)

Institution	California	Idaho	Oregon	Other** Western States	All Other States	Total
University of Washington	922	85	482	449	1,477	3,415
Percent	27.0%	2.5%	14.1%	13.1%	43.3%	100%
Washington State University	416	140	172	347	556	1,631
Percent	25.5%	8.6%	10.5%	21.3%	34.1%	100%
Western Washington State College	81	8	58	128	360	635
Percent	12.7%	1.3%	9.1%	20.2%	56.7%	100%
Eastern Washington State College	63	100	22	70	89	344
Percent	18.3%	29.0%	6.4%	20.4%	25.9%	100%
Central Washington State College	N/A	N/A	N/A	N/A	N/A	N/A
The Evergreen State College	236	19	144	93	569	1,061
Percent	22.2%	1.8%	13.6%	8.8%	53.6%	100%
Total Four-Year Public	1,718	352	878	1,087	3,051	7,086
Percent	24.2%	5.0%	12.4%	15.3%	43.1%	100%
Private Institutions	825	173	671	772	829	3,270
Percent	25.2%	5.3%	20.5%	23.6%	25.4%	100%

*Source: Higher Education General Information Survey: "Residence and Migration of College Students, Fall, 1975".

**Alaska, Arizona, Colorado, Hawaii, Montana, Nevada, Utah and Wyoming.

TABLE F-II

GRADUATE STUDENTS AT PUBLIC AND PRIVATE FOUR-YEAR INSTITUTIONS WHOSE LAST SCHOOL ATTENDED WAS IN ANOTHER STATE*
(Excluding Foreign Students)

Institution	California	Idaho	Oregon	Other** Western States	All Other States	Total
University of Washington	800	31	195	336	2,606	3,968
Percent	20.2%	.8%	4.9%	8.5%	65.6%	100%
Washington State University	184	92	83	159	606	1,124
Percent	16.4%	8.2%	7.4%	14.1%	53.9%	100%
Western Washington State College	12	1	8	10	36	67
Percent	17.9%	1.5%	11.9%	14.9%	53.8%	100%
Eastern Washington State College	1	17	6	9	9	42
Percent	2.4%	40.5%	14.3%	21.4%	21.4%	100%
Central Washington State College	N/A	N/A	N/A	N/A	N/A	N/A
The Evergreen State College	0	0	0	0	0	0
Total Four-Year Public	997	141	292	514	3,257	5,201
Percent	19.2%	2.7%	5.6%	9.9%	62.6%	100%
Private Institutions	17	10	10	34	37	108
Percent	15.7%	9.3%	9.3%	31.4%	34.3%	100%

*Source: Higher Education General Information Survey: "Residence and Migration of College Students, Fall, 1975".

**Alaska, Arizona, Colorado, Hawaii, Montana, Nevada, Utah and Wyoming.

TABLE F-III

PROFESSIONAL STUDENTS AT PUBLIC AND PRIVATE FOUR-YEAR INSTITUTIONS WHOSE LAST SCHOOL ATTENDED WAS IN ANOTHER STATE*

(Excluding Foreign Students)

Institution	California	Idaho	Oregon	Other** Western States	All Other States	Total
University of Washington	124	30	38	122	198	512
Percent	24.2%	5.9%	7.4%	23.8%	38.7%	100%
Washington State University	12	28	28	69	14	151
Percent	8.0%	18.5%	18.5%	45.7%	9.3%	100%
Western Washington State College	Reported No Professional Students					
Eastern Washington State College	Reported No Professional Students					
Central Washington State College	Reported No Professional Students					
The Evergreen State College	Reported No Professional Students					
Total Public Four-Year	136	58	66	191	212	663
Percent	20.5%	8.8%	9.9%	28.8%	32.0%	100%
Private Institutions	71	20	38	115	343	587
Percent	12.1%	3.4%	6.5%	19.6%	58.4%	100%

*Source: Higher Education General Information Survey: "Residence and Migration of College Students, Fall, 1975".

**Alaska, Arizona, Colorado, Hawaii, Montana, Nevada, Utah and Wyoming.

that this is not a true picture of nonresident students but rather a survey of student mobility which includes a substantial number of nonresidents.

TABLE F-IV

STUDENT MIGRATION BETWEEN WASHINGTON
AND THE STATES OF OREGON AND IDAHO
Fall Term 1975

	Undergraduate	Graduate	Professional	Total
To Oregon	964	387	37	1,388
From Oregon	878	292	66	1,236
To Idaho	725	94	27	846
From Idaho	352	141	58	551

The cultural mix argument is highly subjective. It is probable that the presence of students from other regions of the country add to the Washington students' understanding of different national perspectives, especially in a residential campus. This is also likely to be the case with students from other countries. On the other hand, the data indicate that at the undergraduate level, over forty percent of nonresidents are from California, Oregon and Idaho and over fifty-five percent are from the Western United States. The benefit attributable to an improved cultural mix would seem to be minimized with such a concentration of nonresident enrollments from neighboring states.

Tax Support

Based on potential contribution to the state general fund, a single undergraduate student contributes only a small portion to higher education costs through the state's tax system.

In an attempt to analyze what a single undergraduate student's contribution might be, the budget approved by the Washington Financial Aid Association was obtained for a single student living off-campus. The budget is as follows:

Room and Board	$1,600
Books and Supplies	200
Personal (includes medical and dental)	600
Transportation	375
Total	$2,775*

*Actual budget would include required student fees.

This budget was reviewed with researchers in the Department of Revenue. Based on an assumption of direct taxability on $1,600 of the expenditures (one half of the room and board and all of the other expenses excluding transportation) the estimate of general fund revenue was $102*. Since about twenty percent of state general fund revenue is appropriated to higher education, the nonresident student actually contributes about $20 to the cost of instruction through the tax system.

While it is true that some tax support is provided, it appears to be clear that the vast majority is derived from full-time employees, business and industry.

Residency can be established after one year in the state even though the individual might not have made a substantial tax contribution in that year. The law seems to give greater emphasis to a presumption of permanence based on establishment of domicile. In this context, the tax contribution is presumed to continue for a number of years, regardless of enrollment in higher education.

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*The estimate includes the "ripple" effect of subsequent economic impact from the direct expenditures.

As in the case of cultural mix, there is no "right" answer in view of the overall mobility of the population. There is merely a presumption that there is a greater likelihood of continued tax support when an individual moves to this state for other than educational reasons.

Availability of Space

The current situation is mixed. The University of Washington has had an enrollment ceiling for several years and Washington State University is considering a similar policy. Community colleges are under heavy enrollment pressure with waiting lists for some vocational programs. On the other hand, several state colleges have low dormitory occupancy and projections of declining day on-campus enrollment. In effect, some institutions could easily accommodate increased nonresidents while others would have to make choices between residents and nonresidents.

About one-third of the states have established maximum quotas for nonresident students. These quotas appear to have been developed in response to enrollment pressures and political concerns in the late 1960's and early 1970's. Appendix 2 contains a more complete description of quotas now in effect.

Competition with Private Institutions

From time to time, individuals connected with private four-year institutions have raised questions regarding the level of nonresident fees in public institutions. The feeling has been expressed that nonresident students are part of an overall pool of individuals, able to pay more than

$4,000 in total costs, and that the lower nonresident fees in public institutions represent an unfair competition for that pool of students. While our review of this subject indicates that nonresident students tend to be better able to pay higher college costs, we cannot confirm that there is an interchangeability between public and private institutions for the nonresident student. Non-economic considerations such as parochial options, and size of institution, affect student choice.

It is worthwhile to consider the tuition and fee levels in private institutions in regard to this question. Table F-V points out the pattern of tuition and fees since 1971-72 for the private institutions. (The public four-year nonresident tuition and fee levels have not increased since 1972-73.)

The staff also analyzed the 1975 HEGIS Financial Statistics reports to determine what portion of the total cost of instruction students in private institutions actually paid for fiscal year 1975-76. The tuition and fee income for Whitman, the University of Puget Sound, Walla Walla College, Whitworth College, Pacific Lutheran College, Saint Martin's College, Gonzaga University, Seattle University and Fort Wright College was $42,710,760. Total operating expenditures which includes the respective scholarship programs were $52,247,420. For this particular year, the portion of total expenditures paid by students was 81.8 percent. When scholarship expenses are excluded, the proportion of operating costs paid by student fees was approximately 90 percent.

TABLE F-V

TUITION AND FEES
TEN INDEPENDENT WASHINGTON COLLEGES AND UNIVERSITIES
1970-71 Through 1975-76

	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
FORT WRIGHT COLLEGE	$1200	$1350	$1450	$1550	$1850	$2030
GONZAGA UNIVERSITY	$1420	$1565	$1715	$1795	$1865	$2100
PACIFIC LUTHERAN UNIVERSITY	$1590	$1720	$1895*	$1875*	$1995*	$2250*
ST. MARTIN'S COLLEGE*	$1460	$1470	$1590	$1710	$1850	$1980
SEATTLE PACIFIC COLLEGE	$1560	$1665	$1770	$1845	$1998	$2190
SEATTLE UNIVERSITY	$1287	$1530	$1680	$1680	$1860	$2160
UNIVERSITY OF PUGET SOUND	$1710	$1910	$2010	$2160	$2324	$2550
WALLA WALLA COLLEGE	$1605	$1725	$1850	$1950	$2133	$2519
WHITMAN COLLEGE	$1850	$1950	$2080	$2280	$2480	$2710
WHITWORTH COLLEGE	$1596	$1700	$1700	$2015	$2215	$2575
AVERAGE	$1528	$1658	$1774	$1886	$2057	$2306

*Based on a charge per credit hour for 30 semester hours

Source: Washington Friends of Higher Education.

Reclassification of Status

The criteria by which a nonresident student may be eligible for reclassification as a resident for tuition and fee purposes at Washington institutions is provided by RCW 28B.15.012 through .014. A standard application form for change of status is used by most institutions in order to evaluate the student's residency as defined by the statutes. The Evergreen State College has taken an additional step through the use of a "Residency Change Information" form (see Appendix 1 for a copy of the law and the forms) which their students use to determine whether or not they are qualified applicants for change of status.

> RCW 28B.15.012(2) defines a resident student as one "who has had a domicile in the State of Washington for the period of one year immediately prior to the time of commencement of the first day of the semester or quarter for which he has registered at any institution and has in fact established a bona fide domicile in this state for other than educational purposes: Provided, That a nonresident student enrolled for more than six hours per semester or quarter shall be considered as attending for educational purposes only, and for tuition and fee paying purposes only such period of enrollment shall not be counted toward the establishment of a bona fide domicile of one year in this state unless such student proves that he has in fact established a bona fide domicile in this state for other than educational purposes." (emphasis added)

As provided in the statute, a nonresident student who enters the state and enrolls for more than six hours is presumed to be here for educational purposes. To be reclassified for tuition and fee purposes, it is necessary for him to overcome this presumption by showing evidence of residency. Failing to provide such evidence, the presumption is sustained and he is classified as a nonresident.

In discussing with institutional officials the practices for approving applications, the Council staff found the institutions to be concerned (1) that the students are aware of the residency laws; and (2) that those nonresident students who might be eligible are apprised of the criteria for reclassification. The acceptance of an applicant's proof of residency as valid is handled differently among the institutions. Some accept the student's sworn statement, unless they feel they have reason to check; some spot check the data to verify its accuracy; and some require each student's application to be closely verified.

Probably the most stringent adherance to the intent of the law is at Central Washington State College. Each applicant is given a copy of the statute and is verbally counseled concerning its provisions. Photocopies of all pertinent registrations and licenses become a part of the student's application file, as do copies of a full year's rent receipts (or letter from landlord) and verification of employment (or letter from employer). Those students living in campus housing during the academic year must provide rent receipts for the summer months if not enrolled as a student during that time. Each application is then reviewed on an individual basis.

While the various surveillance methods used by institutions help to ensure compliance with the statute, they should not be viewed as fail-safe. A well informed student can, in all probability, circumvent the intent of the law if such is his desire. A student's automobile registered in the name of a parent (as many of them are) could be omitted from an application if the student lives off-campus and does not purchase a campus parking permit.

Proof of one year's domicile in the state, without returning to a home state to work during the summer, can be circumvented by using the home address of a Washington friend during the summer of the qualifying year of domicile. Students who thus falsify their domicile requirement yet present evidence of Washington automobile registration, driver's license, and voter registration can be reclassified as Washington residents. It is noteworthy that once so classified, there is probably no further check made and a student can once again return to his home state during the summer months without continuing to falsify information. At that point, he is simply a Washington resident working out-of-state for the summer.

Attaining residency status by virtue of working twenty or more hours a week at an institution is not widely practiced. Several institutions have policies whereby no student (excluding graduate assistants) may be employed by the institution more than nineteen hours a week. This policy is not only intended to control the number of nonresident students qualifying for resident tuition and fees, but the more encompassing consideration is that of making work available to as many students as possible by limiting the number of hours available to any one student.

A more pragmatic consideration is that institutions employing a student 20 or more hours a week must provide fringe benefits to the employee. Such things as partial payment of medical insurance, and retirement fund could become very costly to the institution when extended to the vast student labor pool.

While the process for reclassification of nonresident students is aided by the statute, it is still a subjective process dependent upon the institution. In some cases, it is very difficult to determine whether a student has actually become a resident of Washington or whether he is simply offering minimal evidence of residency in order to avoid the payment of nonresident fees. It is reasonable to assume that both situations occur. There is probably another percentage of students who pay nonresident fees for all of their education and subsequently find employment in Washington and remain as tax paying residents. There is finally a percentage of students erroneously reclassified who ultimately remain in the state as tax paying residents.

It is possible to determine the number of students originally classified as nonresidents who are reclassified. Table F-VI provides this information for 1974 and 1975. Table F-VII indicates the number of nonresident students at the four-year institutions who are classified as residents for fee purposes under another legal criteria and the net amount paying nonresident fees.

The reclassification of foreign students as Washington residents for tuition and fee purposes is virtually impossible due to the stringent immigration laws.

Table F-VIII which summarizes foreign students in Washington institutions does show "classified as residents", however, this category captures those persons who stated they were not citizens of the United States though they are, in fact, residents of the State of Washington. In includes:

(1) Persons born in foreign countries who reside in Washington and hold a permanent immigration visa, though they have not become U. S. citizens.

(2) Persons who entered the United States as students and subsequently

TABLE F-VI

RELATIONSHIP OF NONRESIDENT AND STUDENTS RECLASSIFIED AS RESIDENT STUDENTS TO TOTAL ENROLLMENT

Washington Four-Year Institutions
Fall Term 1975

	(A) Total Nonresident Students (Including Reclassified)	(B) Number of Students Reclassified As Residents	(C) Percent of Reclassified Students (B ÷ A)	(D) Total Classified as Nonresidents (A - B)	(E) Total Enrollment	(F) Percent of Nonresident Enrollment (A ÷ E)
U.W.	3,792	1,149 (1,242)*	30.3%	2,643	35,434	10.7%
W.S.U.	1,698	246 (N/A)*	14.5%	1,452	16,184	10.5%
C.W.S.C.	231	31 (28)*	13.4%	200	7,536	3.1%
E.W.S.C.	383	40 (18)*	10.4%	343	7,185	5.3%
T.E.S.C.	596	103 (102)*	17.3%	493	2,507	23.8%
W.W.S.C.	704	124 (153)*	17.6%	580	9,198	7.7%
C. C's	4,898	N/A	N/A	N/A	151,644	3.2%
TOTAL	12,302				229,688	5.4%

*Fall 1974 reclassifications
Source: Council for Postsecondary Education institutional surveys, March 1976.

TABLE F-VII

NONRESIDENT STUDENTS (EXCLUDING FOREIGN)
ATTENDING WASHINGTON INSTITUTIONS
Fall Term 1975

	Paying Nonresident Tuition and Fees	Nonresident Students Paying Resident Tuition & Fees			
		Employed 20 Hours or More	Military and Federal Employees	Veteran's Final Duty Station In Washington	Total
University of Washington					
Undergraduate	1,098	44	94	2	1,238
Graduate	660	616	8	3	1,287
Professional (Health Sciences)	54	2	0	0	56
Professional (Law)	57	4	0	1	62
Total	1,869	666	102	6	2,643*
Washington State University					
Undergraduate	664	67	0	0	731
Graduate	108	493	0	0	601
Professional	120	0	0	0	120
Total	892	560	0	0	1,452
Central Washington State College					
Undergraduate	183	N/A	N/A	N/A	183
Graduate	27				27
Total	200				200
Eastern Washington State College					
Undergraduate	276	5	13	2	296
Graduate	27	18	1	1	47
Total	303	23	14	3	343
The Evergreen State College					
Undergraduate	472	6	10	5	493
Total	472	6	10	5	493
Western Washington State College					
Undergraduate	499	0	0	6	505
Graduate	72	0	0	3	75
Total	571	0	0	9	580
Community Colleges	N/A	N/A	N/A	N/A	N/A

*Does not include 142 full-time employees enrolled as part-time students (less than six hours)

Source: Council for Postsecondary Education institutional surveys, March 1976.

TABLE F-VIII

FOREIGN STUDENTS ATTENDING WASHINGTON INSTITUTIONS
Fall Term 1975

	Number of Origin Countries	Total "Foreign Student" Enrollment	RCW 28B.15.013 Classified As Residents	Foreign Students Not Washington Residents	RCW 28B.10.200 University Waiver Program	RCW 28B.15.014 Employed 20 or More Hours	Paying Nonresident
University of Washington							
Undergraduate	81	997	458	539	37	108	367
Graduate	76	737	127	610	65	268	262
Professional	5	8	5	3	2	0	1
Law	1	1	0	1	0	1	0
Total	97*	1,743	590	1,153	104	377	630**
Washington State University							
Undergraduate	40	154	0	154	58	17	79
Graduate	48	242	0	242	27	117	98
Total	64*	396	0	396	85	134	177
Central Washington State College							
Undergraduate	14	25	0	25	0	0	12
Graduate	8	9	0	9	0	2	1
Total	17*	34	0	34	0	2	13
Eastern Washington State College							
Undergraduate	10	41	0	41	0	4	37
Graduate	8	11	0	11	0	4	7
Total	14*	52	0	52	0	8	44
The Evergreen State College							
Undergraduate	13	24	8	16	0	3	13
Total	13*	24	8	16	0	3	13
Western Washington State College							
Undergraduate	13	95	9	86	0	0	86
Graduate	7	125	1	124	0	0	124
Total	16*	220	10	210	0	0	210
Four-Year Public Total		2,689	637	2,052	189	524	1,297
Community College Total	***	2,663	***	***	0	***	***

*Unduplicated total.
**Does not include 42 full-time employees enrolled as part-time students (less than six hours).
***Detail not available.

Source: Council for Postsecondary Education instructional surveys, March 1976.

applied for and received permanent immigrant status. (Their one year waiting period for residency status begins on the date of application for permanent status.)

(3) Persons who are dependent minors of parents or legal guardians domiciled in Washington.

One such example is a student born in Japan, a resident of Washington with her parents since 1955, who was graduated from a Washington high school. She is not a citizen of the United States, thus her registration at the institution shows her as a "foreign student" classified as paying resident tuition and fees.

While RCW 28B.15.014 allows foreign students who are spouses of military and federal employees to pay resident tuition and fees, there were no students so classified in any Washington institutions as of Fall term 1975.

While there are a number of individuals each year who are reclassified from nonresident to resident status, enrollment information indicates that there are also a substantial number of students who continue to pay nonresident fees throughout their educational experience in Washington institutions. It cannot be said, therefore, that all nonresident students can and do achieve reclassification after one year of enrollment in a Washington institution. The same fact would be true for virtually all foreign students holding temporary visas.

Regional and Reciprocity Programs

Various programs which address the ever increasing costs of higher education on a regional basis are in existence. Primarily they are to promote shared opportunities for students in a cluster of states to both reduce the barrier of cost to the nonresident student and eliminate the duplication of specific programs between the states. By the removal of the nonresident tuition and fee differential, the student's cost consideration is reduced to the costs associated with attending an institution geographically distant from his home.

The first example of one such approach is the Academic Common Market, begun two years ago as an interstate agreement among twelve of the fourteen states that compose the Southern Regional Education Board. Presently, Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, South Carolina, Tennessee, Virginia and West Virginia form the Common Market and North Carolina and Texas are expected to join next year. The delay of these two states is because of their requirement of legislative approval.

The program is designed to encourage the enrollment of students in uncommon graduate programs. Criteria is based on the uniqueness of the program or on an institution's unusual treatment of a more common program thus lending it more desirable than an offering elsewhere.

There are currently 161 programs involving less than 200 students. Since the programs tend to be small and unique, the availability of space has not been a question and to date, no student has been denied admission based on space considerations.

The accounting method is actually a paper arrangement with no balance of payment being considered. The Common Market is not a reciprocity agreement but rather a sharing of opportunity among the states.

For a program to be considered, it must first be offered by an institution and subsequently expressly desired by one or more states. This essentially constitutes the program being made available to all students.

A second approach is the interstate reciprocity agreement between

Minnesota and Wisconsin encompassing 2700 students (1973-74). All residents of both states are eligible for waiver of nonresident tuition increments at any public institution of either state. All programs are accessible on a space available basis, whether the student is part-time or full-time, undergraduate or graduate, professional or technical.

The basic financial element is an annual accounting of loss of nonresident fee income per student per term and the maintenance of a balance of payments between the states.

In 1973-74,

	Minnesota	Wisconsin
Students Participating	1,800	900
Loss of Income	500,000	1,800,000
Balance of Payments	1,300,000	

Initially, reciprocity was between boundary institutions on a one to one basis with a maximum of 300 students from each state. Over a period of six years, it evolved into the all encompassing agreement that now exists.

The third program is the New England Regional Student Program, now in its 18th year of operation. This program allows qualified residents of the six New England states the opportunity to pay only in-state tuition and fees at the recipient New England state institution if accepted for study in one of the regional curricula. If a student enrolled in a regional study transfers to a program not included in the regional curricula, out-of-state tuition is applicable as of the date of transfer. Space available preference is first to the resident of the home state, second to other qualified New England residents and third to other nonresident students.

For the most part, a program available in one state is open to residents of all five other states. Some programs, however, are identifiable as being available at perhaps three states and open to one or two others. Wildlife Management (four-year) is available at the University of Maine (Orono), University of Massachusetts and University of New Hampshire and is open to Rhode Island residents. Ocean Engineering is available at Rhode Island and open to Maine and Vermont. Mass Communications is available in Massachusetts to New Hampshire students. Clearly, not all programs are equally available to all New England residents.

The program results in major savings to both the participating students and the New England state governments. It has reduced the costly duplication of programs while affording thousands of students expanded opportunities.

Alternative Approaches to Reciprocity:

Two recommendations in the Council's comprehensive plan (Numbers 90 and 91) are relevant to the subject of reciprocity in postsecondary education. The first calls upon the Council to cooperate with its counterparts and the institutions of higher education in this state, Oregon, Idaho and British Columbia to determine the costs and feasibility of arrangements that would permit residents of each to attend colleges and universities in the other without payment of nonresident fees. Should it determine such arrangements were feasible, the Council would then recommend pilot programs to the legisalture.

The second recommendation is directed to reciprocity on a programmatic basis within the Pacific Northwest region. It is directed to the exploration of consortium possibilities and to the possibility of a regional Academic Common Market. Again, the Council is directed to explore the possibilities and make recommendations to the legislature.

Within the range of these two recommendations lie a number of approaches to regional reciprocity. The most basic is the "closest college concept". While Washington is well served with a number of postsecondary educational institutions, with virtually every major population center containing at least one institution of some type, there are places, especially border areas, that are either not served or served with a limited function postsecondary institution (e.g., Vancouver, Washington, which has a community college in the city, but no senior institution, private or public). Such areas may be in close proximity to an appropriate postsecondary institution in a border state (e.g., in the case again of Vancouver, Portland State University and other senior colleges in the Portland area). Conversely, there are border areas in surrounding states where residents find themselves in close proximity to a Washington institution and some distance from an institution in their state (e.g., residents of Columbia County, Oregon, located across the river from Lower Columbia College in this state).

Examples where application of border reciprocity would improve access include the following:

- Residents of southern Pacific County (Washington) attending Clatsop Community College in Astoria, Oregon;
- Facilitating efforts in Oregon to establish a community college in The Dalles through arrangements for residents of Klickitat County (Washington) to attend such an institution;
- Residents of Garfield, Asotin, and southern Whitman Counties (Southeast Washington) attending Lewis and Clark State College at Lewiston, Idaho;
- Lower Columbia College in Longview serving residents of Columbia County, Oregon;

-- The development of cooperative arrangements among Walla Walla (Washington), Columbia Basin (Washington), and Blue Mountain (Oregon) Community Colleges to more effectively meet the needs of residents of that part of the Columbia River area;

-- Access to Spokane institutions for residents of Coeur D'Alene and northern Idaho;

-- Extending to Canadian citizens, residents of British Columbia, the opportunity to attend Washington institutions on the same basis that Washington residents may attend public universities in British Columbia (i.e., no requirement for payment of nonresident fees).

The second major approach to reciprocity applies more directly to educational programs and it involves both the immediate geographic region and the western states in general. Its focus is greater rationalization of educational programs, especially those at the graduate level, by allowing participating states to rely upon educational programs in other states. This can extend to the point of a regional Academic Common Market, such as that employed at the graduate level by member states of the Southern Regional Education Board, or it can be developed in a more limited fashion, on a program-by-program basis.

Perhaps the best examples of program agreements are several WICHE arrangements (Optometry, Veterinary Medicine, and the Interstate Doctoral Program in Home Economics currently under development). At the present, Washington participates in two such WICHE arrangements; one, Veterinary medicine, as a host state, and the other, Optometry, as a consumer state.

Other interstate arrangements at the programmatic level have been developed, with Washington's involvement, independent of WICHE. An example is the WAMI (Washington, Alaska, Montana, and Idaho) program for the education of physicians. Washington is the only compact state with a medical school; thus, it is a host state. Students in the other states receive their non-clinical educational experiences on their home campuses and complete their medical training in the medical school at the University of Washington.

The examples noted here describe the range of current and potential alternatives. The major benefits of reciprocity appear to lie in the extended access provided residents of participating states to a widened array of educational offerings and the potential for viewing educational offerings on a regional basis so that each state is not obliged to maintain a comprehensive, and costly, range of programs, usually duplicative of those in other states and frequently offered to limited numbers of students.

The issue of reciprocity is one of importance, and it is a matter of considerable interest to the Council as it enters its current comprehensive planning cycle.

Fiscal Impact of Nonresident Tuition and Fee Differentials

The original reasons for a state establishing a higher fee schedule for students from other states may have varied between assumptions of tax responsibility and a desire to preserve enrollment opportunities for local residents. In any event, once such differentials are established they become extremely difficult to eliminate because of the substantial amount of local revenue involved. As the following material indicates, these higher tuition and fee charges to nonresident students in Washington account for over $6.8 million per year in institutional revenue. Over $4.7 million of this amount is for operating purposes and would require additional general fund appropriations or higher fees to residents to make up for the lost income were no differential charged.

The fiscal impact of the nonresident tuition and fee differential is based on the institutional surveys of actual fee paying students. No accurate breakout of nonresident students by fee paying status was available for the community colleges at the time of this report. There are 2,663 foreign students at the community colleges -- 1,569 full-time and 1,094 part-time, included in a total of 4,898 nonresident students (headcount). If one assumes that 58.9 percent of all nonresidents are full-time (based on the same percentage of foreign students) this would result in approximately 2,884 full-time nonresidents.

Based on this assumed enrollment ratio, part-time enrollment was converted to full fee paying students (part-time headcount X .3) to arrive at an estimated total of 3,488 equivalent full fee paying students.

The overall 1975 fiscal impact of the nonresident tuition and fee differential, including the estimate for the community college system, is as follows (see Appendix 3 for detailed tables):

	Tuition	Operating	Total
Universities	$ 810,835	$2,815,152	$3,625,987
State Colleges	388,918	1,332,936	1,721,854
Community Colleges	941,760	565,056	1,506,816
Total	$2,141,513	$4,713,144	$6,854,657

Conclusions and Recommendations

From our review of the material which has been collected concerning the issue of nonresident tuition and fees in Washington public institutions, it is clear that there are no easy answers to the many questions which can be and have been raised. Good arguments can be made for any of the points previously outlined in this report. As Tables F-X, F-XI and F-XII indicate, virtually all public institutions in the United States charge some additional fees to students who are classified as "nonresidents". Given the fact that there would be an immediate loss of $6.8 million per year (at current rates) through the elimination of nonresident fees, it would be economically impractical to recommend the elimination of these fees. In addition, there are sound reasons for charging higher fees to individuals who come to this state for the sole purpose of receiving a public higher education. Washington's residency law allows for reclassification of those individuals who can demonstrate that they have in fact established domicile within the state. It is our opinion that steps should be taken by each institution to review its reclassification criteria to ensure that full validation is required along with the application. It appears that Washington's statute allows for a reasonable separation between individuals who have established domicile and those who are here primarily for educational reasons.

In developing the recommendations, the staff attempted to take into account all of the information made available including the prevailing rates charged by other states. As the information indicates, Washington's nonresident fees at the universities are somewhat below the national average and substantially below the average of the seven states. In the state colleges, on the other hand, the nonresident charges are slightly above the national average and are reasonably close to those of the seven comparison states. No current information is available for community colleges. However, we have pointed out in previous reports that many states charge higher fees to nonresidents than do Washington community colleges.

The original staff recommendation would have established a level of nonresident fees substantially above any comparison group and did not take into account either the subjective factor of an improved cultural mix or the tangible factor of the tax paying status of a nonresident student (even though the contribution is small). The staff would therefore suggest that the Council again consider the recommendation of the Committee on Administration and Finance that nonresident undergraduate tuition and operating fees equal 90 percent of educational costs, but modify that recommendation to apply only to the two universities and the community colleges. In our opinion, there is justification for establishing a lower proportion of educational costs at the state colleges. There exists a relatively small proportion of nonresident students at three of the institutions and there would be little, if any, competition with Washington residents for available spaces at those institutions. We therefore recommend that the state college nonresident tuition and operating fees be based on 75 percent of educational costs. These total charges would continue to bear a relationship to national patterns for similar institutions.

As in the case of the resident fees, we would recommend that the tuition and operating fees charged to nonresident students at The Evergreen State college not exceed the amount charged by the two universities.

The proposed three year phase-in of Recommendations One and Two is shown on Table F-IX.

Recommendation One

That effective Fall, 1979, tuition and operating fees for the two universities and the state's community colleges be established at 90 percent of educational costs. Further, that during the 1977-79 biennium the current nonresident tuition and operating fees be increased to reflect an additional amount equal to one-third of the difference between the estimated 1979 rate and the current rates.

Recommendation Two

That effective Fall, 1979, tuition and operating fees for the state colleges be established at 75 percent of educational costs. Further, that during the 1977-79 biennium the current nonresident tuition and operating fees be increased to reflect an additional amount equal to one-third of the difference between the estimated 1979 rate and the current rates, provided, that the tuition and operating fees charged to nonresident students at The Evergreen State College not exceed the amount charged by the two universities.

Recommendation Three

That each institution ensure that all applications for reclassification are supported by documented evidence and that such evidence is maintained as part of the institution's records for each applicant, with particular reference toward documented proof of domicile.

Recommendation Four

That the Council actively pursue the study and presentation of reciprocity and regional program options as outlined in the Planning and Policy Recommendations.

TABLE F-IX

IMPLEMENTATION OF RECOMMENDED NONRESIDENT TUITION AND OPERATING FEE INCREASES

	Tuition and Operating	Services and Activities	Total Tuition and Fees	Increase
Universities				
Current	$1,470.00	$111.00	$1,581.00	$ 0
1977-78	$1,651.00	$111.00	$1,762.00	$181.00
1978-79	$1,832.00	$111.00	$1,943.00	$181.00
1979-80	$2,014.00*	$111.00	$2,125.00	$182.00
Community Colleges				
Current	$ 637.50	$ 43.50	$ 681.00	$ 0
1977-78	$ 850.00	$ 43.50	$ 893.50	$212.50
1978-79	$1,062.50	$ 43.50	$1,106.00	$212.50
1979-80	$1,275.00*	$ 43.50	$1,318.50	$212.50
Three State Colleges				
Current	$1,213.50	$145.50**	$1,359.00	0
1977-78	$1,316.00	$145.50	$1,461.50	$102.50
1978-79	$1,418.50	$145.50	$1,564.00	$102.50
1979-80	$1,521.00*	$145.50	$1,666.50	$102.50
The Evergreen State College***				
Current	$1,213.50	$145.50	$1,359.00	$ 0
1977-78	$1,480.50	$145.50	$1,626.00	$267.00
1978-79	$1,747.50	$145.50	$1,893.00	$267.00
1979-80	$2,014.50*	$145.50	$2,160.00	$267.00

*Assumption for 1979-80 reflects no change in cost per student. The amount may be higher, dependent on legislative action in 1977.

**Eastern Washington State College -- $157.50.

***In keeping with the Council recommendation that the tuition and operating fees at The Evergreen State College not exceed those charged by the two universities ($2,014), the effective percentage, employing this ceiling, is 63 percent. However, it is anticipated that student costs will decline with the growth of enrollments.

TABLE F-X

UNDERGRADUATE TUITION AND REQUIRED FEES

Academic Year 1975-76

Public Universities	Resident	Nonresident
National Average	$632	$1,656
Seven State Average	$715	$2,096
Washington	$564	$1,581
National Rank	33	23
Eight State Rank	8	8

Based on information provided by the National Association of State Universities and Land-Grant Colleges for the main campus of the major university in each state.

Public Colleges and State Universities		
National Average - All institutions	$537	$1,334
Average of State Averages	$526	$1,275
Seven State Average	$556	$1,526
Washington	$507	$1,359
National Rank	24	19
Eight State Rank	7	6

Based on information provided by the American Association of State Colleges and Universities for all institutions surveyed.

TABLE F-XI

UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS

STATE COLLEGES
Academic Year 1975-76

	Resident	Nonresident
Alabama	$486	$ 587
Alaska	340	940
Arizona	380	1,136
Arkansas	411	713
California	200	1,448
Colorado	501	1,547
Connecticut	562	1,462
Florida	653	1,890
Georgia	483	1,149
Idaho	352	1,216
Illinois	550	1,336
Indiana	720	1,440
Iowa	630	1,200
Kansas	468	1,067
Kentucky	427	957
Louisiana	405	985
Maine	592	1,578
Maryland	611	1,177
Massachusetts	521	936
Michigan	606	1,515
Minnesota	519	924
Mississippi	470	1,154
Missouri	310	845
Montana	455	1,426
Nebraska	554	1,023
Nevada	540	1,732
New Hampshire	734	1,927
New Jersey	666	1,201
New Mexico	333	900
New York	820	1,284
North Carolina	475	1,985
North Dakota	470	1,007
Ohio	759	1,684
Oklahoma	341	845
Oregon	650	1,942
Pennsylvania	893	1,617
Rhode Island	504	1,326
South Carolina	530	1,095
South Dakota	609	1,157
Tennessee	432	1,285

TABLE F-XI
(Continued)

	Resident	Nonresident
Texas	$335	$1,415
Utah	447	915
Vermont	742	2,057
Virginia	772	1,591
Washington	507	1,359
West Virginia	311	1,217
Wisconsin	650	2,076
AVERAGE OF STATE AVERAGES	$526	$1,275
NATIONAL AVERAGE - ALL INSTITUTIONS	$537	$1,334

SEVEN STATE COMPARISON

	Resident	Nonresident
California	$200	$1,448
Illinois	550	1,336
Indiana	720	1,440
Michigan	606	1,515
Minnesota	519	924
Oregon	650	1,942
Wisconsin	650	2,076
SEVEN STATE AVERAGE	$556	$1,526
Washington	$507	$1,359

NOTE: Washington resident fee, $507, is 5.9% below the all institutions national average; Washington nonresident fee, $1,359, is 1.9% above the all institutions national average.

Washington resident fee is 9.7% below the seven state average; Washington nonresident fee is 12.3% below the seven state average.

SOURCE: Tuition, Room and Board Survey, 1975-76, American Association of State Colleges and Universities, Jacob O. Stampen, Senior Research Associate for Policy Analysis.

TABLE F-XII

UNDERGRADUATE TUITION AND REQUIRED FEES FOR FULL-TIME STUDENTS

UNIVERSITIES
Academic Year 1975-76

	Resident	Nonresident
Alabama	$595	$1,190
Alaska	472	996
Arizona	450	1,640
Arkansas	400	930
California	648	2,148
Colorado	711	2,303
Connecticut	799	1,849
Delaware	795	1,930
Florida	683	1,920
Georgia	615	1,479
Hawaii	478	1,153
Idaho	400	1,400
Illinois	700	1,690
Indiana (Bloomington campus)*	722	1,640
Iowa	682	1,550
Kansas	576	1,366
Kentucky	480	1,210
Louisiana	330	1,060
Maine	595	1,770
Maryland (College Park campus)*	718	1,978
Massachusetts	591	1,391
Michigan	904	2,862
Minnesota	752	2,017
Mississippi	603	1,303
Missouri (Columbia campus)*	580	1,660
Montana	539	1,511
Nebraska	663	1,570.50
Nevada	622	1,822
New Hampshire (Durham campus)*	993	2,693
New Jersey	725	1,310
New Mexico	456	1,284
New York	825	1,287.50
North Carolina	468	2,112
North Dakota	528	1,256
Ohio	810	1,860
Oklahoma	470	1,250
Oregon	648	2,109
Pennsylvania (University Park campus)*	1,095	2,295
Rhode Island	1,080	2,120
South Carolina	654	1,414
South Dakota	658	1,354
Tennessee	453	1,305

TABLE F-XII
(Continued)

	Resident	Nonresident
Texas	$354	$1,434
Utah	525	1,335
Vermont	1,100	2,930
Virginia	694	1,619
Washington	564	1,581
West Virginia	373	1,353
Wisconsin (Madison campus)*	630	2,206
Wyoming	411	1,377
AVERAGE	$ 632	$1,656

SEVEN STATE COMPARISON

	Resident	Nonresident
California	$ 648	$2,148
Indiana (Bloomington campus)	722	1,640
Illinois	700	1,690
Michigan	904	2,862
Minnesota	752	2,017
Oregon	648	2,109
Wisconsin	630	2,206
SEVEN STATE AVERAGE	$ 715	$2,096
Washington	$ 564	$1,581

NOTE: Washington resident fee, $564, is 12.1% below the national average; Washington nonresident fee, $1,581, is 4.7% below the national average.
Washington resident fee is 26.8% below the seven state average; Washington nonresident fee is 32.6% below the seven state average.

*1975-76 Tuition and required fees for main campuses of universities obtained by telephone from Valerie Ventre, NASULGC. The published survey reflects the average tuition and required fees of all campuses of a university. Since the Washington universities are single campus institutions, comparable data are the main campuses of the institutions of other states.

SOURCE: 1975-76 Student Charges at State and Land-Grant Universities, National Association of State Universities and Land-Grant Colleges.

APPENDIX 1

COLLEGE AND UNIVERSITY FEES

RCW 28B.15.012
RCW 28B.15.013

APPLICATION OF CHANGE OF RESIDENCE STATUS

RESIDENCY CHANGE INFORMATION FORM

28B.15.012 ————Definitions. Whenever used in chapter 28B.15 RCW:

(1) The term "institution" shall mean a public university, college, or community college within the state of Washington.

(2) The term "resident student" shall mean a student who has had a domicile in the state of Washington for the period of one year immediately prior to the time of commencement of the first day of the semester or quarter for which he has registered at any institution and has in fact established a bona fide domicile in this state for other than educational purposes: *Provided*, That a nonresident student enrolled for more than six hours per semester or quarter shall be considered as attending for educational purposes only, and for tuition and fee paying purposes only such period of enrollment shall not be counted toward the establishment of a bona fide domicile of one year in this state unless such student proves that he has in fact established a bona fide domicile in this state for other than educational purposes.

(3) The term "nonresident student" shall mean any student who does not qualify as a "resident student" under the provisions of RCW 28B.15.011 through 28B.15.014 as now or hereafter amended.

(4) The term "domicile" shall denote a person's true, fixed and permanent home and place of habitation. It is the place where he intends to remain, and to which he expects to return when he leaves without intending to establish a new domicile elsewhere.

(5) The term "minor" shall mean a male or female person who is not deemed and taken to be of full age and majority for all purposes under RCW 26.28.010, as now law or hereafter amended; the term "emancipated minor" shall mean a minor whose parents have entirely surrendered the right to the care, custody, and earnings of such minor and whose parents no longer in any way support or maintain such minor.

(6) The term "qualified person" shall mean a person qualified to determine his own domicile. A person of full age and majority for all purposes under RCW 26.28.010, as now law or hereafter amended, or an emancipated minor is so qualified.

(7) The term "parent-qualified student" shall mean a student having a parent who has a domicile in the state of Washington but who does not have legal custody of the student because of divorce or legal separation.

(8) The terms "he" or "his" shall apply to the female as well as the male sex unless the context clearly requires otherwise. [1972 1st ex.s. c 149 § 1; 1971 ex.s. c 273 § 2.]

Severability—1971 ex.s. c 273: See note following RCW 28B.15.011.

28B.15.013 ———Standards for determining classification. (1) The establishment of a new domicile in the state of Washington by a qualified person formerly domiciled in another state has occurred if he is physically present in Washington and can show satisfactory proof that he is without a present intention to return to such other state or to acquire a domicile at some other place outside of Washington.

(2) Except as provided in subsection (3)(d) of this section, an unemancipated minor shall be classified as a resident student only if his parents or legally appointed guardian or person having legal custody shall have established a domicile in this state.

(3) Unless proven to the contrary it shall be presumed that:

(a) The domicile of an unemancipated minor is that of his father; or if no father, that of his mother; or if there is a legally appointed guardian, that of such guardian: *Provided*, That if one parent has legal custody of the minor, the domicile of such minor shall be that of such parent except as otherwise provided in subsection (3)(d) of this section.

(b) The domicile of any qualified person, including a married woman, shall be determined according to the individual's situation and circumstances rather than by marital status or sex.

(c) A person does not lose a domicile in the state of Washington by reason of his residence in any state or country while a member of the civil or military service of this state or of the United States, nor while engaged in the navigation of the waters of this state or of the United States or of the high seas; any resident student who remains in this state when his parents, having theretofore been domiciled in this state, remove from this state, shall be entitled to classification as a resident student so long as his attendance (except summer sessions) at an institution in this state is continuous.

(d) The establishment of a domicile in the state of Washington in accordance with the provisions of this section by the parent of a parent-qualified student shall entitle the student to classification as a resident student.

(4) To aid the institution in deciding whether a student, parent, legally appointed guardian or the person having legal custody of a student is domiciled in the state of Washington the following rules shall be applied:

(a) Failure to register or to pay state taxes or fees on a motor vehicle, mobile home, travel trailer, boat, or any other item of personal property for which state registration or the payment of a state tax or fee is required is conclusive evidence of a failure to establish a Washington domicile.

(b) Attendance at an institution with the aid of financial assistance provided by another state or governmental unit or agency thereof is conclusive evidence of a failure to establish a Washington domicile.

(c) Permanent full time employment in Washington by a person will be a factor in considering the establishment of a Washington domicile.

(d) Registration to vote for state officials in Washington will be a factor in considering the establishment of a Washington domicile.

(e) Any person not a citizen of the United States cannot establish a Washington domicile until such person is eligible and has applied for an immigration visa, unless such person is the dependent minor of a parent or legal guardian who is domiciled in Washington.

(5) After a student has registered at an institution his classification shall remain unchanged in the absence of satisfactory evidence to the contrary. A student wishing to apply for a change in classification shall reduce such evidence to writing and file it with the institution. In any case involving an application for a change from nonresident to resident status, the burden of proof shall rest with the applicant. Any change in classification, either nonresident to resident, or the reverse, shall be based upon written evidence maintained in the files of the institution and, if approved, shall take effect on the first day of the semester or quarter following the date such evidence was filed with the institution. Any determination of classification shall be considered a ruling on a contested case subject to review only under procedures prescribed by chapter 28B.19 RCW. [1972 1st ex.s. c 149 § 2; 1971 ex.s. c 273 § 3.]

Severability—1971 ex.s. c 273: See note following RCW 28B.15.011.

NAME (Print) .... Last .... First .... Middle .... **Student No.** ....

PRESENT ADDRESS .... Street .... City .... State .... Zip Code .... **Phone No.** ....

PERMANENT LEGAL ADDRESS .... Street .... City .... State .... Zip Code .... **Soc. Sec. No.** ....

OFFICE USE ONLY

U G P

N C R

1. Se 2. Pa 3. Gu

4. Em 5. Fe 6. St

7. Es 8. Pv 9. SEA

10. FEB

.... Nonresident

.... Resident

Effective ....

Date ....

.... Res. Class. Officer

WASHINGTON INSTITUTIONS OF HIGHER EDUCATION

APPLICATION FOR CHANGE IN RESIDENCE STATUS

1. **Have you previously applied, at this institution, for a change in residence status?** ....

   If so, ... Term .... Year

2. **For what term are you now seeking a change in classification? Term** ....

   Year ....

3. **a)—For four-year schools. College, School, and/or Major:**

   .... **Class:** ....

   b)—For community colleges. Course or Program of Study:

   ....

4. **New Student** ☐, **Continuing Student** ☐, **Former Student** ☐. **If continuing or former student, give number of credit hours you were registered for during each of the last 3 terms:** ...., ..., ...

5. **Birth:** .... Date .... City .... State .... Marital Status

6. **Country of citizenship** .... **If not USA, type of visa** ....

   Have you applied for an immigration visa? .... **If yes, when?** .... Date

7. **Are you employed?** .... **If yes, from what date?** ...., **Number of hours per week** ....,

   Name and phone No. of employer .... Name .... Phone

   If a Washington educational institution, what department, division, or office:

   ....

8. **Describe chronologically your physical residence for the last 24 months, giving EXACT information as requested below.**

Dates (Month and Year) From	To	Location City	State	Occupation or Activities
....	....	....	....	....
....	....	....	....	....

11. If you were out of Washington during the last 12 months, give dates, places, and reasons for your absence.

From	To	Address, City, State	Purpose

12. When did you last register to vote? Date Where? State County Precinct

When did you last vote? Date Where? State County Precinct

Where are you eligible to vote in the next election? State County Precinct

13. Do you own a motor vehicle, mobile home, trailer, or boat? If yes, give license numbers, states and dates of registry:

Type of Vehicle License Number State Date of Registry

Type of Vehicle License Number State Date of Registry

14. Do you have a driver's license? When did you obtain it? Date In what state?

15. a) Do you have a checking account? If yes, since what date?

Name of bank City State

b) Do you have a savings account? If yes, since what date?

Name of bank City State

16. Are you receiving financial assistance from a state or governmental unit or agency? If yes, indicate state or agency, and explain

17. Have you ever paid in-state tuition at any public institution of higher education? If yes, dates of last term

Where?

18. Have you been or are you now a member of the armed forces? If yes, give official home address on your service record (as shown on DD 214). State Will you be receiving veteran's benefits at the time of enrollment?

Where were you discharged? State Date

19. If you are 18 years of age or younger

a) give name of parent or legal guardian

b) address Street City State Telephone Zip Code

c) If parent or legal guardian lives in Washington, include dates of their present stay: From To

20. Please add any further information that you feel has a bearing on your residence status.

STATEMENT OF INTENT: I certify that at the beginning of my present stay in Washington, it was my intention to make Washington my true, fixed and permanent place of habitation.

Signature of Student

NOTARIZATION: (To be completed by a notary public after this form has been filled out.)

State of

County of

The undersigned person, being first duly sworn on oath deposes and says:

All of the information I have provided on this form is true and correct.

Signature of Student

Subscribed and sworn to before me this day of , 19

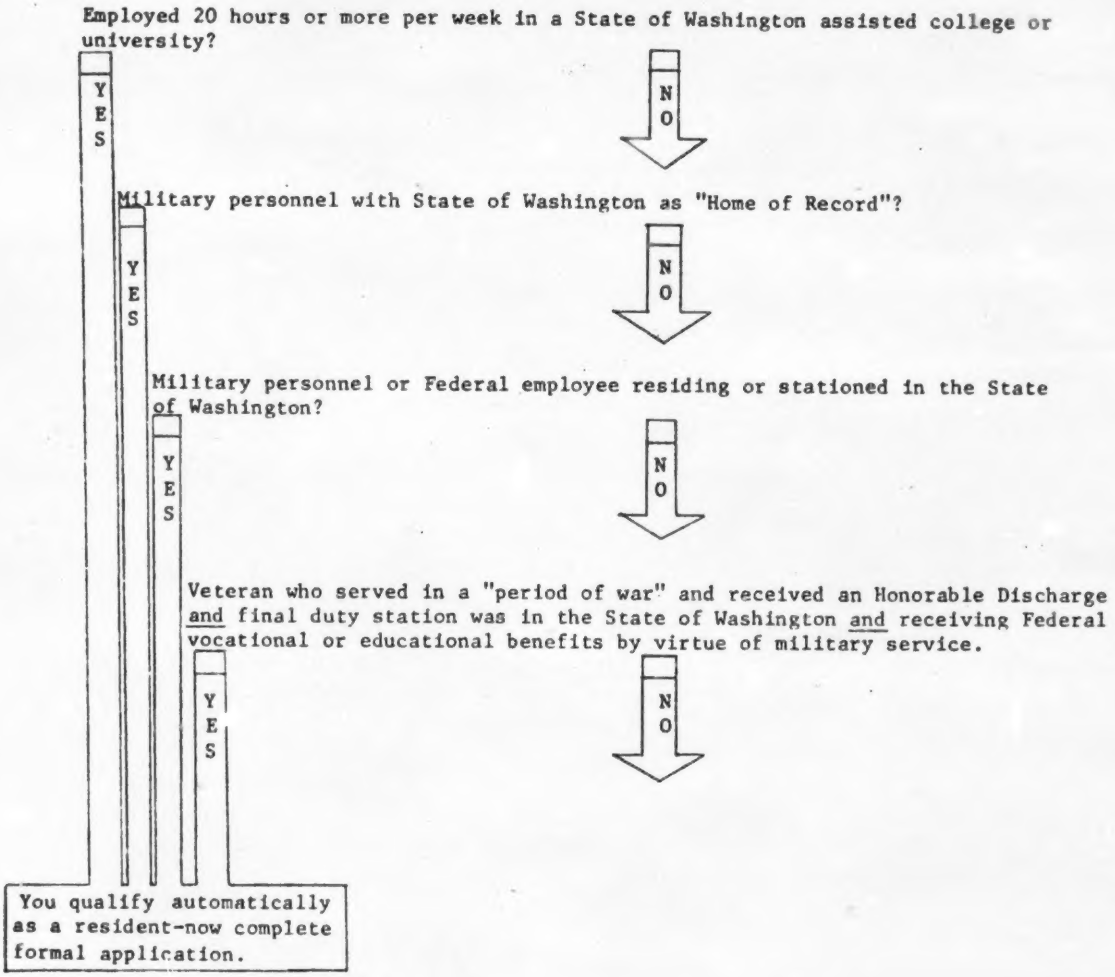
By

RESIDENCY CHANGE INFORMATION

Rules:
1. You must be truthful
2. Mark the appropriate box i.e. ☒ YES / NO
3. See definition of terms for underlined words

START HERE

Are you (or parents if you are under 18 and not emancipated) or your spouse:



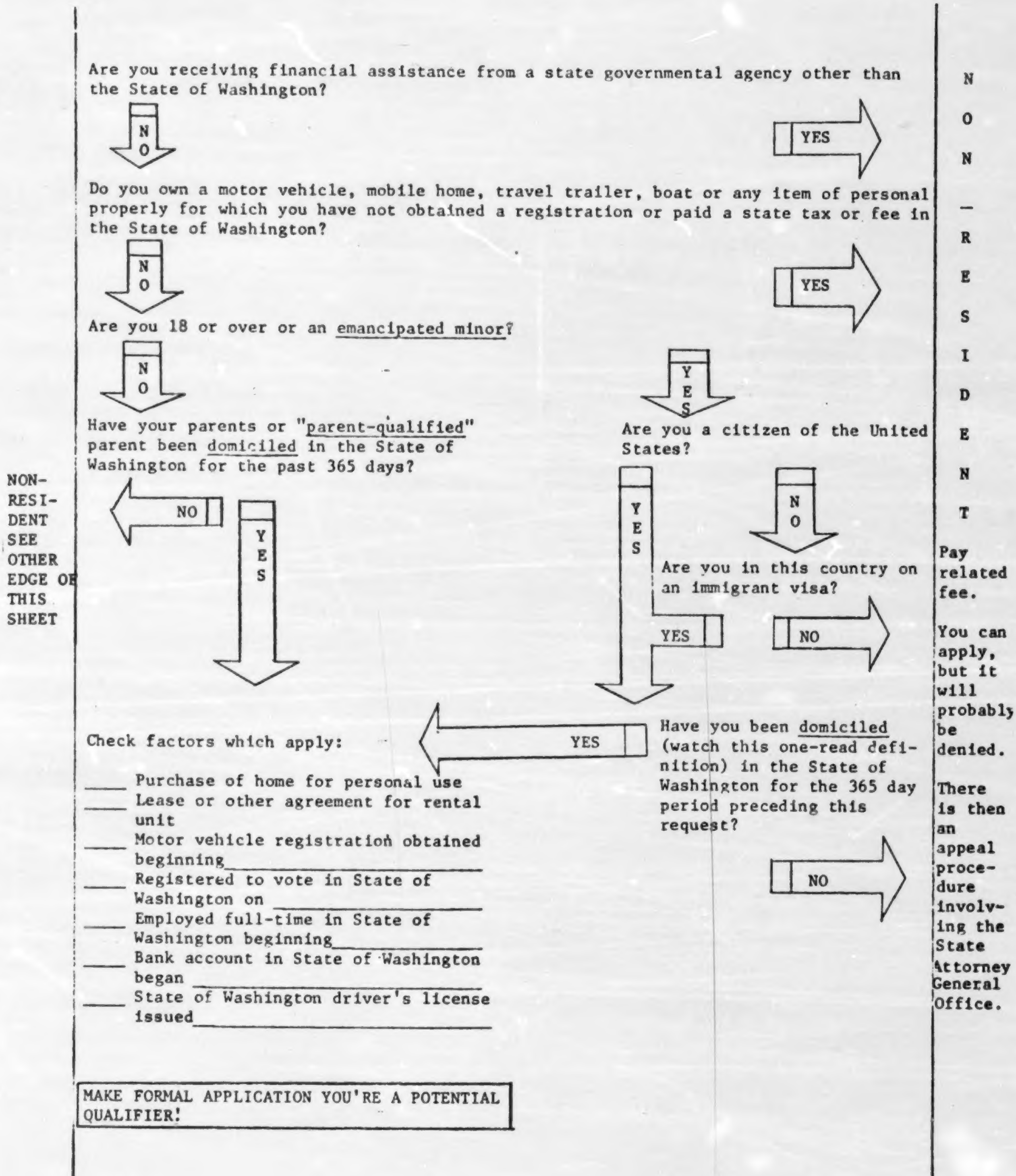
Employed 20 hours or more per week in a State of Washington assisted college or university?

Military personnel with State of Washington as "Home of Record"?

Military personnel or Federal employee residing or stationed in the State of Washington?

Veteran who served in a "period of war" and received an Honorable Discharge and final duty station was in the State of Washington and receiving Federal vocational or educational benefits by virtue of military service.

You qualify automatically as a resident-now complete formal application.



Are you receiving financial assistance from a state governmental agency other than the State of Washington?

Do you own a motor vehicle, mobile home, travel trailer, boat or any item of personal properly for which you have not obtained a registration or paid a state tax or fee in the State of Washington?

Are you 18 or over or an emancipated minor?

Have your parents or "parent-qualified" parent been domiciled in the State of Washington for the past 365 days?

Are you a citizen of the United States?

Are you in this country on an immigrant visa?

Have you been domiciled (watch this one-read definition) in the State of Washington for the 365 day period preceding this request?

Check factors which apply:

____ Purchase of home for personal use
____ Lease or other agreement for rental unit
____ Motor vehicle registration obtained beginning____________
____ Registered to vote in State of Washington on ____________
____ Employed full-time in State of Washington beginning____________
____ Bank account in State of Washington began ____________
____ State of Washington driver's license issued____________

MAKE FORMAL APPLICATION YOU'RE A POTENTIAL QUALIFIER!

Pay related fee.

You can apply, but it will probably be denied.

There is then an appeal procedure involving the State Attorney General Office.

DEFINITION OF TERMS

and - connected conditions must apply

emancipated minor - under 18 whose parents have surrendered the right to the care, custody and earnings of such minor and whose parents no longer in any way support or maintain such minor.

parent-qualified - student having a parent in the State of Washington, but who does not have legal custory because of divorce or legal separation.

domiciled - A person's true, fixed and permanent home and place of habitation. It is a place where he intends to remain and to which he expects to return when he leaves, not intending to establish a new domicile elsewhere. A person can have but one domicile at any time, whereas a residence can be defined as a home which may be temporary or permanent. A person therefore could have several places of residence. Thus, as it relates to the classification of resident and nonresident students, the key issue is whether or not a person has established a domicile in Washington.

Any period of time in which a person is enrolled as a student for two or more Evergreen units or for more than six credit hours in an educational institution in Washington shall be considered as being enrolled for resident tuition if he/she can provide satisfactory evidence to the institution that a bona fide domicile has been established in this state for other than educational purposes.

Generally, it is anticipated that a student who arrives in this state and immediately enrolls in an institution of higher education without any prior contact with this state intends to pursue the primary goal of education. It is highly doubtful, without substantial evidence to the contrary, that this person has established a permanent domicile in the State of Washington.

If, however, evidence submitted by the person makes it absolutely clear that he/she has in fact established permanent domicile in Washington, then a one-year requirement will be necessary prior to qualification for resident tuition and fees. The fulfillment of the one-year requirement begins at the point when the person moved to the State, not after an application has been filed for determination of domicile.

APPLICATION TO CHANGE RESIDENCY STATUS AT THE EVERGREEN STATE COLLEGE

Office Use Only
N C R
1. Se 2. Pa 3. Gu
4. Em 5. Fe 6. St
7. Es 8. Pv 9. SEA
10. FEB
_____ Non-resident
_____ Resident
Effective _____Quarter
____
Res. Class. Officer Date

INSTRUCTIONS: In order to qualify as a resident of the State of Washington for tuition and fees purposes, the burden of proof is upon the student to demonstrate that he/she has established a bona fide domicle in this state for other than educational purposes (See RCW 28B.15.011 to .014).
All items must be completed accurately in order to provide the basis for any demonstration of Washington State domicile establishment. Notarization is required.

NAME:______________________________ ID NUMBER:____________

LOCAL ADDRESS:____________________________ PHONE:__________

1. Are you, (your spouse or parent, if you are a legal dependent)
   a. a permanent employee of a State of Washington controlled institution of higher education?

      ___/NO ___/YES Where?______________________________

      If YES skip to #11
   b. military personnel or a federal employee residing or stationed in the State of Washington or has the State of Washington as "Home of Record"?

      ___/NO ___/YES Describe ______________________________

      ____

      If YES skip to #11
2. Are you a Veteran whose final permanent duty station was in the State of Washington and served in WWI, WWII, Koren Conflict or Vietnam era; and received an honorable discharge; and are receiving federal vocational or educational benefits?

   ___/NO ___/YES Describe______________________________

   If YES skip to #11 ______________________________
3. Country of Citizenship ___/USA ___/OTHER Visa Type ______________
4. Do you own a motor vehicle, mobile home, trailer, or boat? ___/YES ___/NO

   License Number:____________ State:__________ Date of Washington Registry:____________
5. Do you receive financial assistance (grant or loan) from another state's government or agency? ___/YES ___/NO Describe______________________________

   ____
6. Describe chronologically your physical residence for the last two years giving exact information as requested:

		LOCATION		
FROM	TO	CITY	STATE	PURPOSE
Mo. Yr.	Mo. Yr.			

7. What is your purpose for being in Washington now?______________________________

____

8. Factors demonstrating domicile in the State of Washington:

   a. Do you have permanent full-time employment? ___/NO ___/YES Since________________

      Where? ____

   b. Do you have Washington voter registration? ___/NO ___/YES Date on Card____________

   c. Are you purchasing or have lease on property (other than college owned housing) in the State of Washington? ___/YES ___/NO Where?______________________

      ____

   d. Do you have any bank accounts? ___/NO ___/YES Detail below:

      1. Savings - Name of Bank and Location ______________________________

         Beginning ________________

      2. Checking - Name of Bank and Location ______________________________

         Beginning ________________

   e. Do you have a Washington driver's license? ___/NO ___/YES Date obtained ___________

9. Date you feel you began to establish domicile in the State of Washington:____________
Mo. Day Yr.

10. Reasons other than those described above why you feel your domicile is in the State of Washington. ____

____

____

11. STATEMENT OF INTENT: It is my intention to make Washington my true, fixed and permanent home and place of habitation. It is the place where I intend to remain and to which I expect to return when I leave without intending to establish a new domicile elsewhere.

____
SIGNATURE OF STUDENT

NOTARIZATION: (To be completed by a notary public after this form has been filled out.)

State of ________________________

County of ________________________

The undersigned person, being first duly sworn on oath deposes and says:

All of the information I have provided on this form is true and correct.

____
SIGNATURE OF STUDENT

Subscribed and sworn to before me this ________________ day of ________________, 19 __

by ____

Notary Public in and for the State of ____________________

APPENDIX 2

LIMITING OF NONRESIDENT ENROLLMENT THROUGH QUOTA SYSTEMS

Nonresident Enrollment Quotas

A recent survey[1] conducted by Jay L. Chronister and E. Davis Martin addressed the subject of nonresident enrollment quotas and their findings are presented here. The restriction of nonresident enrollments through the imposition of quotas is a policy of approximately one third of the states and range from 5 percent to 27.5 percent limitations. This is particularly true of the undergraduate enrollments. Quotas are imposed on graduate and/or professional enrollments (such as medicine and law) at Alabama, Arizona, Colorado, Connecticut, Georgia, Ohio, Nevada, and Texas. These quotas, however, are institutional rather than through state legislation or administrative regulation.

The following table indicates those states which have quota systems. Several institutions (such as University of Virginia and University of Maryland) employ quotas where no statewide policy exists.

The twenty-two public members of Association of American Universities were polled to ascertain the degree of enforcement of state policies or the existence of institutional policies. They were institutions who might be considered as having national character and therefore most impacted by quotas. Eighteen institutions responded (86.4%). One was discarded as submitting non-comparable data. University of Oregon, Purdue University, University of Virginia and University of Colorado reported nonresident undergraduates in excess of 20 percent. The mean nonresidents for all 18 institutions was 14.3 percent.

University of Virginia, University of Minnesota, University of

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[1] Nonresident Student Enrollment in State Institutions of Higher Education: An Overview. Chronister, Jay L., Martin, E. Davis. Virginia University, Charlottesville, Center for Higher Education, May 1975.

Maryland, Iowa State University, Indiana University, Purdue University and University of Oregon all reported nonresidents in excess of 40 percent in graduate/professional enrollment.

University of Oregon, Indiana University, and Purdue reported nonresidents in excess of 50 percent in graduate/professional enrollment.

Those employing controls through the use of quotas were the Universities of Virginia, Missouri, Colorado, Oregon, Texas, Maryland, Purdue University, Penn State University and Michigan State University.

TABLE F2-I

UNDERGRADUATE NONRESIDENT QUOTAS
LOCUS OF CONTROL AND RESULTING LIMITATIONS

State	Quota Imposed	By Whom	Limitation
Alabama	No		
Alaska	No		
Arizona	Yes	Arizona Board of Regents	27.5 percent
Arkansas	No		
California	(Not in Survey)		
Colorado	Yes	Colorado Commission on Higher Ed.	15 percent
Connecticut	No		
Delaware	Yes	Legislature	25 percent
Florida	Yes	State University System of Florida	10 percent
Georgia	No		
Hawaii	Yes	Board of Regents (Univ. of Hawaii)	10 percent (Community Colleges) 20 percent (Universities)
Illinois	No		
Indiana	No		
Iowa	No		
Kansas	Yes	State Coordinating Board	15 percent
Kentucky	(Not in Survey)		
Louisiana	No		
Maine	No		
Maryland	No		
Massachusetts	No		
Michigan	Yes	Legislature	20 percent
Minnesota	(Not in Survey)		
Mississippi	No		
Missouri	Yes	Missouri Council on Higher Ed.	15 percent
Montana	No/Yes	Montana Board of Regents	Nonresident may not be admitted if he displaces a resident
Nebraska	No		
Nevada	No		
New Hampshire	Yes	Legislature	25 percent
New Jersey	No/Yes	Informally (not enforced)	5 percent (State Colleges) 10 percent (Rutgers)
New Mexico	No		
New York	No		

TABLE F2-I
(Continued)

North Carolina	Yes	Board of Governors, U. of N.C.	15 percent in six institutions
North Dakota	No		
Ohio	Yes	Ohio Board of Regents	20 percent
Oklahoma	No		
Oregon	Yes	State Coordinating Board	15 - 16 percent
Pennsylvania	Yes	State Policy	5 percent
Rhode Island	No		
South Carolina	No		
South Dakota	No		
Tennessee	Yes	Tennessee Higher Education Comm.	15 percent
Texas	No		
Utah	No		
Vermont	No		
Virginia	No		
Washington	No		
West Virginia	No		
Wisconsin	(Not in Survey)		
Wyoming	No		

Source: Nonresident Student Enrollment in State Institutions of Higher Education: An Overview. Chronister, Jay L., Martin, E. Davis. Virginia University, Charlottesville, Center for Higher Education, May 1975.

APPENDIX 3

FISCAL IMPACT OF NONRESIDENT TUITION AND FEE DIFFERENTIAL

Fall 1975

TABLE F3-I

FISCAL IMPACT OF NONRESIDENT TUITION AND FEE DIFFERENTIAL*

			Tuition	Operating
University of Washington				
Undergraduate:	Nonresident	1,098	$250,344	$866,322
	Foreign	367	83,676	289,563
Graduate:	Nonresident	717	163,476	565,713
	Foreign	262	59,736	206,718
Professional:	Nonresident	54	11,340	42,606
	Foreign	1	210	789
TOTAL			$568,782	$1,971,711
Washington State University				
Undergraduate:	Nonresident	664	$151,392	$523,896
	Foreign	79	18,012	62,331
Graduate:	Nonresident	108	24,624	85,212
	Foreign	98	22,344	77,322
Professional:	Nonresident	120	25,200	94,680
	Foreign	0	0	0
TOTAL			$241,572	$843,441
Two Universities:			$810,354	$2,815,152
			$3,625,506	
Central Washington State College				
Undergraduate:	Nonresident	183	$ 38,979	$144,387
	Foreign	12	2,556	9,468
Graduate:	Nonresident	17	3,621	13,413
	Foreign	1	213	789
TOTAL			$ 45,369	$168,057
Eastern Washington State College				
Undergraduate:	Nonresident	276	$ 58,788	$217,764
	Foreign	37	7,861	29,193
Graduate	Nonresident	27	5,751	21,303
	Foreign	7	1,491	5,523
TOTAL			$ 73,891	$273,783

TABLE F3-I
(Continued)

			Tuition	Operating
The Evergreen State College				
Undergraduate:	Nonresident	472	$100,536	$372,408
	Foreign	13	2,769	10,257
TOTAL			$103,305	$382,665
Western Washington State College				
Undergraduate:	Nonresident	499	$106,287	$324,849
	Foreign	86	18,318	55,986
Graduate:	Nonresident	72	15,336	46,872
	Foreign	124	26,412	80,724
TOTAL			$166,353	$508,431
Four State Colleges			$388,918	$1,332,936
			$1,721,854	
Community Colleges**				
	Nonresident	1,591	$429,570	$257,742
	Foreign	1,897	512,190	307,314
TOTAL			$941,760	$565,056
			$1,506,816	

*Enrollment assumptions based on final Fall, 1975.

**Estimated.